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Foreign Investment in LDCs:

Prospects and Constraints

Report prepared by the UNCTAD secretariat

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Introduction

This report reviews the major factors which enhance the foreign investment prospects of the least developed countries (LDCs), as well as the major constraints which can impede such foreign investment. These factors are identified notably in the light of investors' motivations to invest in particular markets. These investors' motivations have been communicated by fund managers in reply to a questionnaire sent by UNCTAD. A questionnaire has also been sent to LDCs, asking these countries to identify investment opportunities as well as constraints. Replies to this questionnaire are also reflected in this report.

I Investors' motivation

Private risk capital investors (as opposed to foreign direct investors, who can be expected to hold a somewhat different, although overlapping, set of requirements) seek out investment opportunities from a global perspective in order to improve overall returns (by participating in the relatively high returns in emerging markets) and diversify investment portfolios and thereby reduce overall portfolio risk (by taking advantage of low correlation of returns in developed and emerging markets). In selecting investment opportunities, investors naturally take into consideration a number of elements which would allow a strategy of maximizing returns, while minimizing risks and costs. Based upon a recent survey of managers of international equity investment funds undertaken by UNCTAD, the most important elements have been identified. The ratings of these factors are reported in table 1.

Table 1
Frequency rating of factors taken into account by investors

FACTORS	RATIO OF FREQUENCY
Political stability	45.45%
Growth Potential	90.91%
Sound currency	27.27%
Securities market with comprehensive regulation	36.36%
A liquid securities market	27.27%
Favourable environment for foreign investors	63.64%
Ease of repatriation of capital	63.64%
Information and proper disclosure	54.55%
Sound corporate law for fund prospectuses, new issues, etc.	9.09%
A good settlement system.	45.45%

Source: UNCTAD Questionnaire, 1997.

- **Growth potential** of the market was most frequently identified as an important element in determining the level of attractiveness of a potential investment location.

Generally, a high rate of economic growth makes a market attractive because earnings capacity of companies operating in that market will also be high, providing investors with the potential to participate in high profit companies. This is borne out in practice by the relatively large flows of portfolio equity investment into high growth markets in South East Asia and Latin America since the early 1990s.

- The existence of a **favourable environment for foreign investors** and the level of **ease with which investment proceeds can be repatriated** were the second most frequently identified factors that these investors felt to be important in the investment decision.

A favourable environment would comprise a set of elements including the regulatory, legal and tax framework as they relate to foreign investment, the general outlook of the market's authorities relating to foreign investment (a tendency to not implement policies that are inimical to foreign investment would crate a positive environment), and the maintenance of an acceptable level of macroeconomic stability. Macroeconomic stability (as reflected by low inflation rates and stable exchange rates) is related to the rate of growth in that it may be difficult to sustain a high rate of economic growth in the absence of a degree of macroeconomic stability. They will therefore seek to invest in markets which provide relatively easy repatriation of interest, dividends and profits. In this regard, foreign exchange restrictions can represent a major impediment to foreign investment. Although a number of LDCs have either relaxed or abolished foreign exchange controls, they still persist in some LDCs, and may include, *inter alia*, limitations on repatriation of investment proceeds or on opening of foreign exchange accounts in freely convertible currency, and surrender requirements on foreign exchange earnings.

- The third most commonly cited element is the **adequacy, availability and reliability of financial information and the level of financial disclosure standards** for companies in the market.

Financial information is critical as the basis upon which investment decisions are made. The reliability of the information as to its accuracy in depicting the true position of the firm is obviously important; the degree to which national accounting standards are consistent with international accounting standards (IAS) will make evaluation of financial information easier. In this regard, the International Accounting Standards Committee (IASC) and the International Organization of Securities Commissions (IOSCO) are currently cooperating in order to harmonize accounting standards across countries. A number of LDCs have reported that their accounting standards are consistent with IAS; several regional bodies within the sub-Saharan region are also seeking to bring the national accounting standards of their member countries in line with IAS.

- The existence of **political stability** and of a **good settlement system** were the fourth most commonly identified factors in the survey.

Political stability is invariably a pre-condition for foreign investment as it provides a stable environment for the promotion of risk capital investment in high-risk ventures. A fast and reliable settlement system helps minimize credit and exchange rate risks and reduces the costs of transactions.

- The **comprehensiveness of securities market regulation** was the fifth most frequently mentioned element.

Such regulations govern securities exchange membership, trading, and clearing and settlement as well as the activities of financial intermediaries, and they seek to ensure market integrity and stability, and customer protection. Market integrity and customer protection involve the prevention of security issuers from defrauding investors by concealing relevant information, the promotion of the stability of the securities market and competition and fairness in securities trading (including the prevention of insider trading). The degree of effectiveness in enforcing these regulations is a closely related consideration. In this respect, IOSCO and the Fédération Internationale des Bourses de Valeurs (FIBV) are both working toward attaining regulatory convergence across member countries.

- The sixth most oft-mentioned factors are the **existence of a sound currency** and a **liquid securities market**.

A relatively stable currency protects investors from foreign exchange risk and allows investors to plan more effectively by lowering the potential for sudden shifts in currency value. The level of liquidity of the securities market (commonly measured by the ratio of market capitalization to money supply) is generally significant because it often acts as an exit mechanism through which investment positions are liquidated (in the case of venture capital investment, however, other exit mechanisms, such as secondary or "trade sale" of securities to another investor or company, or alternatively, the purchase of these securities by the investee firm (as allowed by contractual agreement), may be suitable). A more liquid market will allow a faster and more certain means of divesting, and provides enhanced financial capital mobility. These factors are related in that a relatively unstable currency may not prevent foreign investment if a highly liquid securities market allows the investor to very quickly liquidate the investment position in the event of unexpected, sudden currency fluctuations. The existence of a sound currency would be expected to be especially important in cases where foreign exchange restrictions may significantly slow the mobility of financial capital or where potential exit mechanisms operate relatively slowly. The same is true in markets where instruments for hedging currency risk are absent, which will include most LDCs.

Information search costs and minimum required rates of return

The survey indicates that many international equity funds have in general found the cost of research involved in identifying good investment opportunities in markets in Africa to be relatively higher than that for Asian and Latin American markets. Many funds noted that while these search costs were reasonable in the latter two regional groups, search costs were high for the former. Several funds found these costs to be reasonable for all three regions (one of the funds in this category specialized in African investments, but concentrated in the best known markets in Africa, those in which search costs might be somewhat lower than in Africa

in general); one indicated that they were unaware of the level of such costs for Africa (they do not actively invest in Africa); and another suggested that for Africa these costs were reasonable to high while being high for Asia and reasonable for Latin America.

In general, it is clear, based upon the survey results, that search costs are often relatively high for Africa but generally reasonable for Latin America and Asia. This may help explain why the volume of portfolio equity investment in Africa, while growing substantially during recent years has remained skewed toward a small number of more visible markets and has remained marginal for most countries in the region (of course, other elements, such as limited security market capitalization, have also played a role in this).

The equity fund survey suggests that these funds typically seek an annualized minimum rate of return of between 10%-25% on their investments in emerging markets - a significant number of funds seeking a 20% minimum (it is worth noting that half the respondents either did not have a specific minimum target or were not able to provide a figure; one fund accepted as low as a 10% return; and one fund sought a minimum of 25%). Therefore, the challenge is to locate investment opportunities in emerging and pre-emerging markets for which a return within this range can be realized.

II. Macroeconomic setting in LDCs

Since the early 1980s, a large number of LDCs have embarked upon a process of economic stabilization and structural adjustment. This process has not been easy, and in many cases stabilization and adjustment programmes have not as yet yielded the expected improvement in economic performance. However, for the LDC group as a whole, and in a number of specific cases, the economic outlook has improved significantly in the 1990s as compared with the previous decade.

General economic setting

Annual GDP growth in LDCs over 1995-1996 is estimated at 3.2 per cent, as compared with an average of 2.2 per cent over the period 1980-1990. The average rate of inflation in 1995, although still relatively high at 23.9 per cent, was significantly lower than the average of 35.7 per cent recorded during 1991-1994. The average inflation rate in LDCs is projected to decrease further and reach 19.2 per cent in 1996 and 13.2 per cent in 1997. In 1995, 20 LDCs had single digit inflation rates.

The central government fiscal deficit in per cent of GDP was also reduced from an average of 9.5 per cent in 1988 to 5.6 per cent in 1995; it is projected to remain at about this level in 1996. In 1995, 23 LDCs had fiscal deficits to GDP lower than 6 per cent.

In addition, important policy reforms have been implemented in many LDCs in recent years. Financial systems have been liberalized, and this has entailed the reduction or removal of allocative controls over interest rates and lending, the introduction of market-based techniques of monetary control, and the easing of entry restrictions in domestic financial

markets. Restructuring programmes have started to address the problem of financial fragility of parastatal banks, while banking laws and supervision have been strengthened. Financial sector reform has yielded improvements in financial intermediation in LDCs. Real rates of interest became less sharply negative on average, moving from -4.1 per cent in 1983-1989 to -2.4 per cent during 1990-1995. Investment as a per cent of GDP increased from 14.8 per cent to 16.0 per cent during the same intervals.

Economic growth

On a less aggregated basis, 21 LDCs recorded average growth in GDP in real terms of over 4 per cent over the period 1994-1995, with 12 countries having growth rates of more than 5 per cent. Table A.1 shows the macroeconomic indicators of these countries. In comparison, Table A.2 shows the macroeconomic indicators of countries with low rates of GDP growth during 1994-95. The group with high growth rates exhibited more buoyant export growth and more stable exchange rates. On the other hand, no clear conclusion can be drawn concerning the comparative levels of other macroeconomic indicators.

Foreign exchange restrictions

Table A.13 summarizes the measures concerning foreign exchange transactions in 45 LDCs on which information is available. 24 countries have lifted restrictions on current account transactions and 6 have no restrictions on capital account transactions.

Concerning the regime of remittances of dividends and profits and capital repatriation, 27 countries have adopted a free regime, guaranteeing such capital transfers. 9 countries have a relatively free regime, either by controlling capital repatriation (while allowing free remittances of dividends and profits), or requiring prior authorization by the government for such transfers. And finally, 9 countries maintain strict controls on such transfers.

III. Financial system and capital market development

Financial deepening

In general, official financial intermediation in the LDCs is not widespread, and an important amount of financial intermediation is still conducted via the informal financial sector. This is due to the limited development of the financial sector in most LDCs, although there is naturally substantial variation among different countries in the group.[1] The institutional structure in LDCs is generally dominated by private and publicly-owned commercial banks, which provide the bulk of short-term formal-sector credit, and mainly concentrate on larger private and/or public sector enterprises. Longer-term formal-sector credit is often provided by development finance institutions (DFIs). Various other types of financial institution augment these two main formal-sector sources of credit, but they are mostly very small and unable to compete effectively. Capital markets exist in relatively few LDCs, and the markets for primary

[1]This section draws heavily on *The Least Developed Countries, 1996 Report*.

securities tend to be very thin, with the exception of the market for government securities. Formal-sector financial intermediation in LDCs has remained shallow for several reasons closely related to the structure outlined above.

The mobilization of financial savings has been difficult because of the limited range of financial assets available to the public, in some cases by unattractive returns on savings instruments, the effective exclusion of certain market segments from formal-sector credit and often because of the inadequacy or poor level of services provided by formal-sector institutions. The range of financial assets available to the public is limited, *inter alia*, by the limited level of development of capital markets in general; commercial bank deposits are often the main financial asset available. In many cases, deposit interest rates have been unattractive, and often negative (especially in countries experiencing high rates of inflation). This has sometimes resulted from the imposition by government of controls on interest rate levels and on the allocation of credit. Also, the DFIs have encountered a diminished ability to provide additional long-term finance in light of high rates of non-performing loans among other reasons. The less creditworthy segments of the market, including small-scale and informal-sector enterprises, farmers and low-income households, tend to be effectively excluded from formal-sector credit due to relatively demanding creditworthiness criteria, high transaction costs on these relatively small loans, severe informational difficulties and difficulties associated with foreclosing on borrowers in default (as a result of deficiencies in the legal system).

One indicator of the level of formal-sector financial intermediation in LDCs is provided by the ratio of total banking sector claims on the private sector to GDP. This ratio illustrates the heterogenous experience among LDCs in this regard over the period 1990-1995. Although for most LDCs this ratio has registered either a declining or stable trend during the period (often with significant intra-period variation), a small number of countries have experienced a clear upward trend, including Ethiopia, Lao PDR, Lesotho and Nepal. The ratio of the monetary liabilities of the banking sector to GDP provides an additional indicator of the depth of the financial system in the economy. This ratio indicates a similar variation in experiences, but also highlights a deepening of the formal-sector's intermediation in the economy in the cases of Bangladesh, Bhutan, Equatorial Guinea, Nepal, Uganda, and the United Republic of Tanzania, in the cases of the Central African Republic and Rwanda the ratio trended upward as well, but suffered a decline in 1995; and in the cases of Chad and Zambia, the ratio staged a partial recovery over the period from previously higher levels.

With financial reform and liberalization, some of the elements which have impeded financial sector deepening are being addressed. In particular, reform of the mechanism by which interest rates are determined has taken place in many LDCs. The reform process has typically been carried out in phases, first by raising loan and deposit rates closer to the rate of inflation, then abolishing preferential lending rates to priority sectors, and finally removing administrative controls over interest rates. This process has helped create positive real deposit rates in several LDCs, although in many cases real interest rates remain negative (this remains the case even for the majority of the group of LDCs which have recorded relatively high real growth rates). Only in five countries have deposit rates moved to positive real levels (Cambodia, the Gambia, Guinea, Lesotho and Samoa). In addition to interest rate reform, financial sector reforms have introduced market-based instruments of monetary control, removed restrictions on the types of activity that financial institutions can undertake,

liberalized entry of new participants into the financial markets, and privatized government-owned financial institutions, especially government-owned banks, which have operated particularly inefficiently in many LDCs. Although these measures have been undertaken relatively recently and it is difficult to clearly ascertain their impact as yet, they appear to be having a positive impact on development of the financial systems in some LDCs. These measures certainly represent a start to addressing the need to deepen financial markets in these countries.

One route to deepening the domestic financial system lies in the development of a domestic capital market which can provide long-term debt and equity financing for government and the private sector. This may follow the pattern of first broadening the range of instruments offered by the government and widening the market for these securities, followed by the development of a private debt market for securities of large private enterprises, then the development of a market for equity issues of large private enterprises. Establishing an organized exchange for organized trading of security issues can provide a real impetus to the development of the financial system. Organized stock exchanges already exist in Bangladesh, Bhutan, Malawi, Nepal and Zambia, although these exchanges are still relatively small in relation to overall economic size (in 1995, the ratio of market capitalization to GDP measured 4.5 per cent for Bangladesh, 1 per cent for Malawi, 5.5 per cent for Nepal and 14.7 per cent for Zambia) and the level of trading activity on the exchanges is relatively low. Five other LDCs have begun the preliminary steps to opening an exchange, including the establishment of the legal framework for capital market development. These include Angola, Madagascar, Mozambique, Uganda and United Republic of Tanzania. With respect to African LDCs, it is worth noting the launching in June 1996 of the African Capital Market Forum (ACMF) to enhance capital market development in those countries. For many LDCs, it may not be realistic to expect the establishment of organized exchanges in the foreseeable future. In some cases, however, the promotion of capital market development on a regional or sub-regional basis may represent a realistic option.

Regional Capital Markets: Issues and Experiences

As single LDC markets may be insufficiently large to sustain separate stock exchanges because of the unlikelihood of their achieving a certain threshold (in terms of the number of listed companies or market capitalization, for example) that would render them feasible, formation of exchanges on a regional or sub-regional basis can present a more favourable possibility. In addition to helping meet the basic threshold required for financial viability, regional exchanges provide the potential to improve the efficiency of capital allocation among member countries, resulting in net welfare gains for the region as a whole. They may also help lower the incentive for capital flight because of the possibility to invest regionally. At the same time, from the point of view of investors, they would allow enhanced portfolio diversification opportunities. Further, by providing more accurate information on listed companies than in the absence of the companies' listing on an exchange, the level of risk associated with the equity of these companies can be better evaluated and priced, thus providing additional investment possibilities via companies in which investment would not otherwise have taken place. For companies within the region, an enlarged investor base would result (over that which would be available in the case where a national stock exchange was established).

Establishing a regional exchange requires that investment from all countries within the regional exchange benefit from similar treatment. This may entail the coordination of certain aspects of national economic policies, specifically with regard to monetary, exchange rate, financial, credit and even tax policies. The successful founding of a regional exchange can, therefore, present challenging obstacles which must be overcome. Regional coordination on issues related to capital market development would be necessary, including, for example, participation by the most dynamic markets in the region. In some cases, it may be possible, indeed desirable, for LDCs to build regional exchanges around existing, already vibrant exchanges in neighbouring non-LDC emerging markets. Table A.17 lists all regional groupings to which LDCs belong, which could form the basis for establishing regional capital markets.

There are currently several ongoing attempts to establish regional and sub-regional capital markets. One example is Caricom's goal of establishing the Caribbean Stock Exchange which would provide a regional market for equities as well as other securities such as bonds, treasury bills, debentures, options and futures. Although some thorny issues related to foreign exchange control exemptions have been partially settled in order to pave the way for cross-listing of instruments, to date, cross-border trading has been slow and only one cross-listing on all three currently existing national stock exchanges in the group (Barbados, Jamaica and Trinidad and Tobago) has been completed. Three causes for the lacklustre activity have been established. First, the lack of timely availability of company accounts and other information to investors outside the national exchanges. Secondly, the thin supply of securities actually available on the exchanges for trading. Thirdly, the existence of uncertainty with respect to rates of return as funds cross national boundaries. In response, Caricom members have proposed the widening and deepening of Caribbean capital markets, and the harmonization of self-regulation and the mechanisms for trading, clearing and settlement. Proposals have also been put forward for a public awareness and education campaign, for specialized training for securities market operators and regulators, and for utilization of privatization programmes for the purpose of stock exchange development.

Similar efforts are concurrently taking place within the Organization of Eastern Caribbean States (OECS) toward the creation of a single OECS stock market. The possibility for the building of regional arrangements of some form within the Southern African Development Community (SADC - comprising Angola, Lesotho, Malawi, Mozambique, Tanzania and Zambia (all LDCs) along with South Africa) is an interesting prospect, although there has apparently been limited exploration of this possibility.

To date, the West African Economic and Monetary Union (WAEMU), comprising Benin, Burkina Faso, Côte d'Ivoire, Mali, Niger, Senegal and Togo, offers a unique experience of a regional stock exchange. In December 1996, the member countries of WAEMU decided to establish a regional stock market which will be located in the stock exchange of Abidjan, of Côte d'Ivoire. The characteristics of this regional stock exchange are summarized in the following Table.

Establishment of a regional capital market in the West African Economic and Monetary Union (WAEMU)

WAEMU's member countries (Benin, Burkina Faso, Ivory Coast, Mali, Niger, Senegal and Togo) have gathered efforts aiming at establishing a regional stock exchange (Bourse Régional des Valeurs Mobilières). It was established on 18th December, 1996 in Benin. It consists of a dual juridical entity: the Regional stock exchange and the Central depository/Settlement Bank. Shareholders have already confirmed their participation in the capital of both societies for a final amount of FF4 4 billion.

This regional market respond to the following needs: the financing needs from enterprises; access of member countries to external financing; the strong demand for financial products; the need to close the gap between capacities and needs of financing. In addition, the regional market may represent a solution for member countries given the small size of their individual stock exchange (except for the stock exchange of Ivory Coast). Furthermore, the grouping has a common currency, the French CFA Franc and a common Central Bank (BCEAO) in the framework of a common monetary agreement. The establishment of a common financial market would thus be a natural development of the grouping.

According to a feasibility study, this regional financial market is a)economically desirable as it will ensure the coherence with other integration features such as, the harmonization of the affaires law, and the introduction of financial innovations (i.e. establishment of enterprises, reforms of the monetary market); b) technically realisable as, among others, it will be based on the monetary solidarity and coherence of the juridical foundations of the Franc Zone countries and in the existing communications among economic capitals; c) financially convenient as it will offer new possibilities for issuers and investors in the seven countries of the Zone.

The Western African Central Bank (Banque Centrale des Etats de l'Afrique de l'Ouest) will be in charge of the establishment of the regional financial market.

	Regional Stock	Central Depository
Status	Specialized institution under the scheme of a Limited Company	
Capital	Franc CFA 2.8 billion	Franc CFA 1.4 billion
	. 51 % minimum for private regional shareholders . 25 % maximum to financial institutions . 14% maximum to the States of the region	
Functions	Quotation of values, and transactions, selling of stock informations and establishment of a Guarantee Fund	Settlement/delivery of documents, settlement bank, custody and circulation of documents
Financing	Commissions on services rendered to Management and Intermediation Societies[2] to issuers and investors	

[2] These societies have the status of financial agencies. In the context of the organization of the stock exchange they have the monopoly of the negotiation of the regional stock exchange and the preservation of the titles belonging to others.

National Antennas of the Exchange will be installed in the 7 countries. They will perform the following functions:

. represent the central organ
. promote the market
. propose new issuers
. attach operators to the central system at a low cost
. ensure the economic and functional equality of participants
. publicize informations about the market
. provide information to the central site.

Once established, the rules of the financial market will be unique for all member countries; all documents, balances, etc. would be identical through the market. As regards its status, the new financial market will be a private entity(%); tax rules will be identical for all countries.

In principle, the headquarters of the above institution will be located in Abidjan, Ivory Coast, and there will be national branches "antennes nationales" in the rest of the member countries. The national branches will be in charge of collecting information for the companies, disseminate a financial culture among the population, and transmit the order of stock exchange agents to the regional stock exchange.

IV. Investment opportunities

In response to an UNCTAD questionnaire, 12 LDCs have provided information on their investment opportunities, as well as constraints on foreign investment. These replies are summarized in the following tables.

Table 2

INVESTMENT OPPORTUNITIES AND CONSTRAINTS IN SOME LDCs

COUNTRY	*INVESTMENT OPPORTUNITIES*	*CONSTRAINTS ON ENTERPRISE DEVELOPMENT*	*PROMOTION ACTIVITIES TO ATTRACT FOREIGN INVESTMENT*	*TECHNICAL ASSISTANCE NEEDS*
Bangladesh*	• Textiles; • Infrastructure (oil and gas, energy, telecommunications, ports, highways and bridges); • Agro-based industry (dairy and poultry, fish farming and processing, processing of food and vegetable); • Leather and leather products; • Labour intensive industries (electrical goods and accessories, electronics data processing and software development).	• Shortage of funds; • Lack of proper infrastructure facilitiy; • Shortage of trained and experienced personnel; • Lack of research and development; • Shortage of raw materials and marketing facility.	• Investment seminars, workshops, symposia, investment fora in different prospective countries; • Media campaign through intrnationally reputed journals, magazines and newspapers; • Board of Investment also published several investment promotion literature, booklets, brochures, folders for private enterpreneurs.	• Program for enterpreneurship development; • Updated information on global market trends and on policies pursued by other countries; • Fund for BOI personnel for attending international investment seminars and workshops.

Source: UNCTAD Questionnaire, 1997.

Table 2 (Continued)

COUNTRY	*INVESTMENT OPPORTUNITIES*	*CONSTRAINTS ON ENTERPRISE DEVELOPMENT*	*PROMOTION ACTIVITIES TO ATTRACT FOREIGN INVESTMENT*	*TECHNICAL ASSISTANCE NEEDS*
Bhutan	• Banking.	...	• Introduction of foreign investment policy and regulation.	• Technical assistance in defining legal framework; • Development of private sector.
Ethiopia*	• Agriculture; • Mining; • Agro-industry; • Manufacturing; • Construction; • Hotel & tourism; • Pharmaceutical and chemicals.	• Access to credit; • Inadequacy of infrastructure facilities; • Lack of domestic enterpreneurship skills; • Low investment promotion capacity; • Land allocation for investors.	...	• Institutional capacity building; • Promotional material; • Training; • Workshops and seminars.

Table 2 (continued)

COUNTRY	*INVESTMENT OPPORTUNITIES*	*CONSTRAINTS ON ENTERPRISE DEVELOPMENT*	*PROMOTION ACTIVITIES TO ATTRACT FOREIGN INVESTMENT*	*TECHNICAL ASSISTANCE NEEDS*
Gambia	• Tourism; • Manufacturing; • Fishing; • Horticulture; • Agriculture; • Textiles; • Banking and finance.	• Small size of the market; • Limited human resources and capacities; • Inadequate and unreliable energy and poor road network which hinder communication and free movement of goods and services; • Lack of term lending to the productive sectors in the economy.	• The Development Act of 1988 developed an incentive structure and a liberal regulatory framework for both local and foreign investment . This Act is being reviwed in order to give more incentives to investors. • The National Investment Promotion Authority, incorporated in the Ministry of Trade, Industry and Employment, also promote foreign investment acting as a "One Stop Shop" for investors from pre-investment stage. It advises on possibilities and potential joint venture partners and offers assistance with project implementation. • Projects in priority sectors are awarded incentives in the form of duty waiver on capital equipment, spareparts materials, and row or semifinished material inputs. • Preferential allocation of land to the projects. • Identification of market opportunities for projects in the export sector.	• Technical assistance to improve access to markets, especially to developed countries, for primary and processed products; • Development of South-South trade through negotiations spearheaded by UNCTAD; • Technical & financial support for research in the area of production, marketing & distribution facilities.

Table 2 (Continued)

COUNTRY	*INVESTMENT OPPORTUNITIES*	*CONSTRAINTS ON ENTERPRISE DEVELOPMENT*	*PROMOTION ACTIVITIES TO ATTRACT FOREIGN INVESTMENT*	*TECHNICAL ASSISTANCE NEEDS*
Lesotho*	• Manufacturing sector (leather works, textiles, pharmaceuticals, fruit & vegetable canning, handicrafts, jewellery, television and radio manufacturing, electronic products, toys); • Tourism; • Private sector (Oil processing, brick making).	...	• Investors in the financial sector are met with favourable statutory.	• Technical assistance; • Seminars and workshops.
Malawi	• Potential provided by Goverment Privatisation Programme, especially in the agricultural sector.	...	...	• Public sensitisation to stock exchange listing benefits; • Financial incentives for companies to list on the stock exchange; • Distribution of shares; • Regulations and policies for an enabling investment environment.

Table 2 (Continued)

COUNTRY	*INVESTMENT OPPORTUNITIES*	*CONSTRAINTS ON ENTERPRISE DEVELOPMENT*	*PROMOTION ACTIVITIES TO ATTRACT FOREIGN INVESTMENT*	*TECHNICAL ASSISTANCE NEEDS*
Mozambique*	• Agriculture; • Industry; • Transport; • Construction, infrastructure & energy.	...	...	• Support on funding and execution of capacity building projects; • Information on access to international sources of finance for local private investors; • Training of local enterpreneurs on managemnt techniques; • Assistance in country image building.
Myanmar	• Agriculture sector; • Industry (primary products-based industries, export-oriented industries); • Tourism (International class hotels, beach resorts, tourist villages, recreational centres); • Infrastructure; • Property and estate development.	• Lack of financing and technology.	• Business forum and seminars inside the country and abroad.	• Participation in seminars, workshops or other business promotion activities; • To facilitate contact with any governmental agency having authority for investment in the sector of interest for Myanmar.

Table 2 (Continued)

COUNTRY	*INVESTMENT OPPORTUNITIES*	*CONSTRAINTS ON ENTERPRISE DEVELOPMENT*	*PROMOTION ACTIVITIES TO ATTRACT FOREIGN INVESTMENT*	*TECHNICAL ASSISTANCE NEEDS*
Nepal*	• Hydropower; • Tourism; • Agro-based & forest-based industries; • Manufacturing & service industries; • High-value medicinal herbs industries.	• Shortage of financing; • Lack of intensive promotional campaign; • Small size of domestic market; • Inadequate infrastructure facilities; • Lack of exposure and negotiating skills of local enterpreneurs; • Landlocked nature and topographical constraints.	• The Ministry of Industry undertook major promotional activities: • regular review of investment policies to make them investment friendly; • organisation of investment promotions missions comprising of private sector and government officials to potential investing countries; • publication of pomotional brochures giving information on foreign investment opportunities.	• Intensive promotional and marketing campaign; • Assistance in launching investment promotional activities; • Assistance in improving the legal framework to attract foreign investment; • Workshops in collaboration with Nepalese counterparts bringing together potential investors.
Rwanda	• Agro-industry sector; • Timber industry; • Metallurgy; • Agriculture; • Export-oriented manufacture.	• Difficult reintegration of country refugees in order to boost the agricultural sector; • Problems with medium-long term loans connected with the lack of guarantees for the economic operators due to the 1994 war; • Lack of qualified personnel.	• Active participation in the economic and political integration of the Great Lake sub-region; • Maintaining social-political stability; • A supporting project financed by the World Bank is being developed; • A Special Fund for Habitat Financement will be set up in order to solve the problem of the lack of guarantees for long-term loans in the property business.	• Private investments' promotion in collaboration with Banque Rwaindaise de Développement; • Promotion of investment opportunities in the Great Lakes sub-region.

Table 2 (Coninued)

COUNTRY	*INVESTMENT OPPORTUNITIES*	*CONSTRAINTS ON ENTERPRISE DEVELOPMENT*	*PROMOTION ACTIVITIES TO ATTRACT FOREIGN INVESTMENT*	*TECHNICAL ASSISTANCE NEEDS*
Sierra Leone	• Agricultural sector; • Agro-industrial sector; • Fisheries sector; • Export manufacturing sector; • Business services; • Tourism; • Mining sector.	• Poor management and transport infrastructure; • Low foreign investor participation; • Lack of capital for the acquisition of improved technology and business expansion; • Small domestic market; • Lack of an enabling environment for investment; • Lack of an investment guide and code to guide investment and provide investment incentives.	• An autonomous corporation SLEDIC is set up for the promotion of investments and exports in all sectors; • An investment code is been developed to assist with investment promotion; • An Investment Guide will be enacted shortly.	• Review & finalization of an investment code; • Setting up investment promotion activities through targeted mailings & missions to foreign investors; • Promotion of specific investment opportunities; • Technical & financial support (setting up of an Investment Center); • Supporting investment promotion through assisting with structured promotion tours, promotional literature, contacts with relevant institutions, provision of funds for the training of local personnel.
Uganda*	• Agro-processing; • Telecommunications; • Power generation manufacturing; • Real estate development.	• Lack of fund; • Poor infrastructure (roads).	• The Uganda Investment Authority (UIA) has held several workshops geared towards foreign investment attraction in several countries; • The investment code has a wide range of incentives.	• Encourage offshore funding; • Technical assistance (consultant); • Joint financing investment promotion activities abroad.

* Details about sectors and projects in a separate table.

Table 3

INVESTMENT OPPORTUNITIES
by sector and by company

BANGLADESH

SECTOR	NUMBER OF PROJECTS	ESTIMATES (in US$ million)
Textiles sector	3 (156 spinning mills, 371 weaving mills, 371 dyeing, printing & finishing units)	No estimates for dollar amount
Leather goods sector	...	22.5 (1995-'96)
Frozen food sector	Projects for hacheries, gowouts, feed meals	314 (1995-'96)
Jute goods sector	...	329 (1995-'96)
Power generation	The demand of electricity is increasing at the rate of 11% per year	No estimates for dollar amount

ETHIOPIA

SECTOR	NUMBER OF PROJECTS	CAPITAL (in US$ million)
Agriculture	4	69.60
Mining	10	34.30
Manufacturing	22	117.40
Construction	6	73.30
Hotel & Tourism	1	7.10
Health	4	12.60
Business	2	3.07

Source: UNCTAD Questionnaire, 1997.

LESOTHO

SECTOR	N. OF PROJECTS	CAPITAL (in US$ million)
Tourism	12	75.30

In details

PROJECT TITLE	PRODUCT SERVICES	COST ESTIMATES (in US$ million)
Ha Theko Peninsula- 150 bedroomed luxury hotel	Marine, lake sailing & rowing club; Mountain botanical gardens & winter house.	4.00 1.25 Tot. 5.25
Malibamats'o Bridge Resort- 80 room hotel	Mooring, berths & cruise boats.	5.25
Family Holiday Centre- 80 roomed resort	...	2.45
Eagle Rock Country Club	Country club + sport facilities; Golf Course & Time Share Homes; Time Shares, homes.	5.00 7.50 9.00 Tot. 21.50
Mahlasela Resort	Ski resort	5.00
Mt.Aux-sources Resort	...	5.00
Ha Lejone Family Resort	Marine sailing centre	1.20
Ha-Lule & Poli Reach Country Hotel Facilities	Moorings, berths and cruise-boats; Golf driving range & 9-hole golf course.	4.70
Malimbatso island living village and harbour	...	0.60

Ha-Seshote Special Development area	18-hole "Roof of Africa" International golf course; Timeshare Mountain Lodge estate	6.00 9.00 Tot. 15.00
Molikaliko family resort	Adventure camp & sports park; Angling & boating centre	1.00 0.35 Tot. 1.35
Likalaneng Lake resort	Sports & health club; Sailing & equestrian	3.50 4.50 Tot. 8.00

SECTOR: MANUFACTURING

COMPANY	NATURE OF BUSINESS	CAPITAL (in US$ million)	PLANNED EMPLOYMENT
...	Highlands Water Projects	4,000	...
Maloti Oil & Cake Mills (PTY) Ltd.	Sunflower oil production	6.30	150
Loti Brick (PTY) Ltd	Burnt clay bricks manufacturing	Capital to increase the capacity from 20 to 30 million bricks per year by 1999	164 (in 1997)
Rockwool Projects	Production of an insulation material	15 (3 of which from international investors)	...
Mineral Water Bottling Plant	Mineral water bottling	1.20	...

MOZAMBIQUE

COMPANY	SECTOR	CAPITAL (in US$ million)
Companya do Buzy	Estate	85.00
Acureira de Xinavane	Manufacturing	45.50
Carbomoc E E	Mining	25.00
Ind. Ceramica de Moçambique	Manufacturing	2.60
	Aquaculture	30.00

NEPAL

SECTOR	NUMBER OF PROJECTS	CAPITAL (in RS million)
Agriculture	9	296
Manufacturing	197	18,047
Tourism	71	8,858
Services	46	4,376
Construction	3	125
Energy-based	4	10,883
Mineral-based	2	1,150

US$1=RS 56.75

UGANDA

SECTOR: NATURAL RESOURCES

SUBSECTOR	NUMBER OF PROJECTS	CAPITAL (in US$ million)	PLANNED EMPLOYMENT
Forestry & food processing	3	1.66	172
Crop resources based	11	19.60	3240
Livestock & fisheries	3	5.36	423
Foods & beverages	4	1.60	48
Tourism	6	2.83	144

In details

COMPANY	NATURE OF BUSINESS	CAPITAL (in US$ Million)	PLANNED EMPLOYMENT
Lonrho Limited	Cotton ginning	6.30	104
Kishia Young Farmers Ltd	Meat slaughter & processing	3.50	38
Hortuga Ltd	Production of asparagus	1.50	457
Uganda Forest Industries Ltd	Timber processing	1.30	111
Ladhani Industries Ltd	Growing & process of being and maize	1.65	2028
Uganda Young Plants	Propagation of African plant cutting for export	0.64	75

SECTOR: MANUFACTURING

SUBSECTOR	N. OF PROJECTS	CAPIAL (in US$ Million)	PLAN. EMPLOYM.
Manufacturing	9	33.15	515
Property development	6	18.30	594
Transport	3	5.06	132
Fabrication	2	0.81	111

In details

COMPANY	NATURE OF BUSINESS	CAPITAL (in US$ Million)	PLANNED EMPLOYMENT
Republic Air	Air transport	3.10	83
Intex Developers (Africa) Ltd	Property development	8.70	307
Uganda Pharmaceuticals Ld	Pharmaceutical manufacture	2.90	40
Super Bargains Ltd	Manufacture & assembly of motor cycles	1.02	40
East African Glass Work	Manufacture of glass bottles & tableware	18.80	216

SECTOR INVESTOR FACILITATION

SUBSECTOR	N OF PROJECTS	CAPITAL (in US$ Million)	PLAN EMPLOYM
Consultancy services	1	50.00	12
Printing & light packaging	1	1.23	60
Airport handling services	1	2.40	73
TV broadcasting	1	0.98	54
Education services	1	1.23	48

In details

COMPANY	NATURE OF BUSINESS	CAPITAL (in US$ Million)	PLANNED EMPLOYMENT
ULL Printing & Packaging Ltd	Printing & light packaging	1.23	60
Dairo Air Services Ltd	Airport handling services	2.40	73

Source UNCTAD Questionnaire, 1997

ANNEX TABLES

Table A.1

Least Developed Countries - Macroeconomic indicators for countries with high growth rates (> 4%) in 1994 - 1995

*(* growth rate > 5%)*

Country Name	Population	Exchange Rate Variation (1990-96)	Inflation Rate (1990-95)	Export Growth Rate (1990-95)	Fiscal Deficit / GDP 1995	Current Acc. / GDP (1990-95)	GDI / GDP (1990-95)	Real Interest Rate 1995	Scheduled Debt Service / Exports 1995	Regime of Repatriation of Dividends and Capital
	(Millions)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	
Angola*	11.0	.	878.0	-3.3	-11.0	-10.0	15.2	.	163.5	Relatively Free
Bangladesh	120.0	-2.1	5.1	15.8	-6.2	-3.5	14.9	-1.4	14.7	Free
Benin*	5.0	-15.7	10.5	1.5	-8.7	-0.1	15.0	-11.1	13.4	Free
Bhutan*	0.7	-10.7	10.0	0.3	-3.1	-14.8	29.4	0.0	.	Restricted
Cambodia*	10.0	-32.8	89.1	.	-7.0	-5.8	13.1	0.9	60.6	Free
Cape Verde	0.4	-4.3	7.0	5.1	-16.3	-5.2	36.2	-2.1	20.9	Free
Cent. Afr Rep.**	3.0	-15.7	6.2	1.4	-21.6	-4.5	11.7	-14.7	5.1	Restricted
Chad*	6.0	-15.7	7.4	-1.8	-14.1	-5.9	8.8	-3.5	22.3	Relatively Free
Eq Guinea**	0.4	-15.7	8.0	16.6	-10.8	-16.6	28.2	-0.8	16.1	Free
Guinea	7.0	-7.6	11.8	-3.9	-4.2	-6.6	15.7	13.5	91.1	Relatively Free
Lao P Dem R *	5.0	-5.2	16.3	37.1	-4.2	-12.6	12.5	-11.7	5.7	Free
Lesotho*	2.0	-9.4	11.6	17.3	0.0	8.9	82.8	4.4	10.0	Relatively Free
Maldives*	0.3	-3.6	12.9	10.8	-7.4	-0.7	.	.	7.1	Free
Mauritania	2.0	-11.5	7.0	0.9	1.4	-6.7	18.7	.	92.0	Relatively Free
Mozambique*	16.0	.	47.0	9.7	-4.9	-27.4	54.6	.	312.5	Free
Myanmar*	45.0	0.6	26.4	16.9	-3.6	.	.	-18.9	.	Free
Nepal	21.0	-9.6	10.5	24.7	-4.6	-8.3	21.7	2.5	8.2	Free
Solomon Is	0.4	-5.9	11.0	19.5	.	-9.2	29.0	-1.4	.	Free
Sudan	27.0	-148.8	92.5	-1.6	-3.2	-17.7	13.2	.	.	Restricted
Togo**	4.0	-15.7	9.0	-8.5	-10.5	-8.7	14.4	6.4	39.1	Restricted
Uganda*	19.0	-6.9	19.6	20.1	-2.3	-10.0	15.0	-1.2	63.4	Free

* Exchange rate variation for CFA

Table A.2

Least Developed Countries - Macroeconomic indicators for countries with low growth rates in 1994 - 1995

*(* negative growth rates)*

Country Name	Population *(Millions)*	Exchange Rate Variation *(1990-96)* *(%)*	Inflation Rate *(1990-95)* *(%)*	Export Growth Rate *(1990-95)* *(%)*	Fiscal Deficit / GDP *1995* *(%)*	Current Acc. / GDP *(1990-95)* *(%)*	GDI / GDP *(1990-95)* *(%)*	Real Interest Rate *1995* *(%)*	Scheduled Debt Service / Exports *1995* *(%)*	Regime of Repatriation of Dividends and Capital
Burkina Faso*	10.0	-15.7	5.5	-2.1	-4.5	-4.9	21.5	8.0	27.0	Restricted
Burundi*	6.0	-10.4	10.7	3.2	0.8	-8.4	14.1	-9.8	31.3	Free
Comoros*	0.5	-8.8	5.6	16.2	-2.9	-3.7	18.9	0.2	33.3	Free
Djibouti*	0.6	0.0	5.6	..	-4.4	-9.9	15.0	-0.9	17.7	Free
Ethiopia*	1.0	-23.0	13.0	3.1	-8.5	-0.7	11.2	-1.9	118.3	Free
Gambia	1.0	-4.4	7.5	0.5	4.8	8.1	20.5	8.5	21.3	Free
Guinea-Bissau	1.0	-50.5	44.8	10.3	..	-27.9	23.7	-18.9	412.6	Free
Haiti*	7.0	-18.8	22.6	-16.6	-2.4	-1.1	7.8	-9.5	46.2	Restricted
Kiribati	0.1	..	5.2	15.5	..	-9.7	67.2	..	..	Free
Madagascar	14.0	-20.4	22.1	9.8	-1.6	-8.2	11.7	-30.5	228.0	Relatively Free
Malawi	10.0	-49.3	30.7	-3.9	-5.7	-13.2	17.0	-46.1	28.8	Free
Mali*	10.0	-15.7	5.6	2.6	-4.1	-8.6	23.4	-6.4	86.7	Relatively Free
Niger*	9.0	-15.7	6.8	-12.9	-7.2	-7.3	7.1	-6.1	65.7	Free
Rwanda	6.0	-17.6	20.6	-16.9	..	-4.2	11.0	-11.2	55.5	Relatively Free
Samoa	..	-0.5	7.3	7.4	-3.8	-16.8	39.0	4.5	4.3	Free
Sao Tome and Principe	0.1	..	44.5	9.3	-66.5	-26.5	43.6	..	329.7	Restricted
Sierra Leone*	4.0	-25.8	57.5	-6.4	-5.6	-5.1	11.3	-22.8	113.0	Relatively Free
Untd.Rp.Tanz	30.0	-21.6	29.2	19.8	-3.1	-17.8	32.9	..	218.4	Free
Vanuatu	0.2	-0.1	3.5	8.0	..	-8.2	..	2.7	1.5	Free
Zambia*	9.0	-74.6	111.8	-0.03	-2.9	-13.5	11.4	2.6	280.0	Restricted

[a] Exchange rate variation for CFA

Table A.3

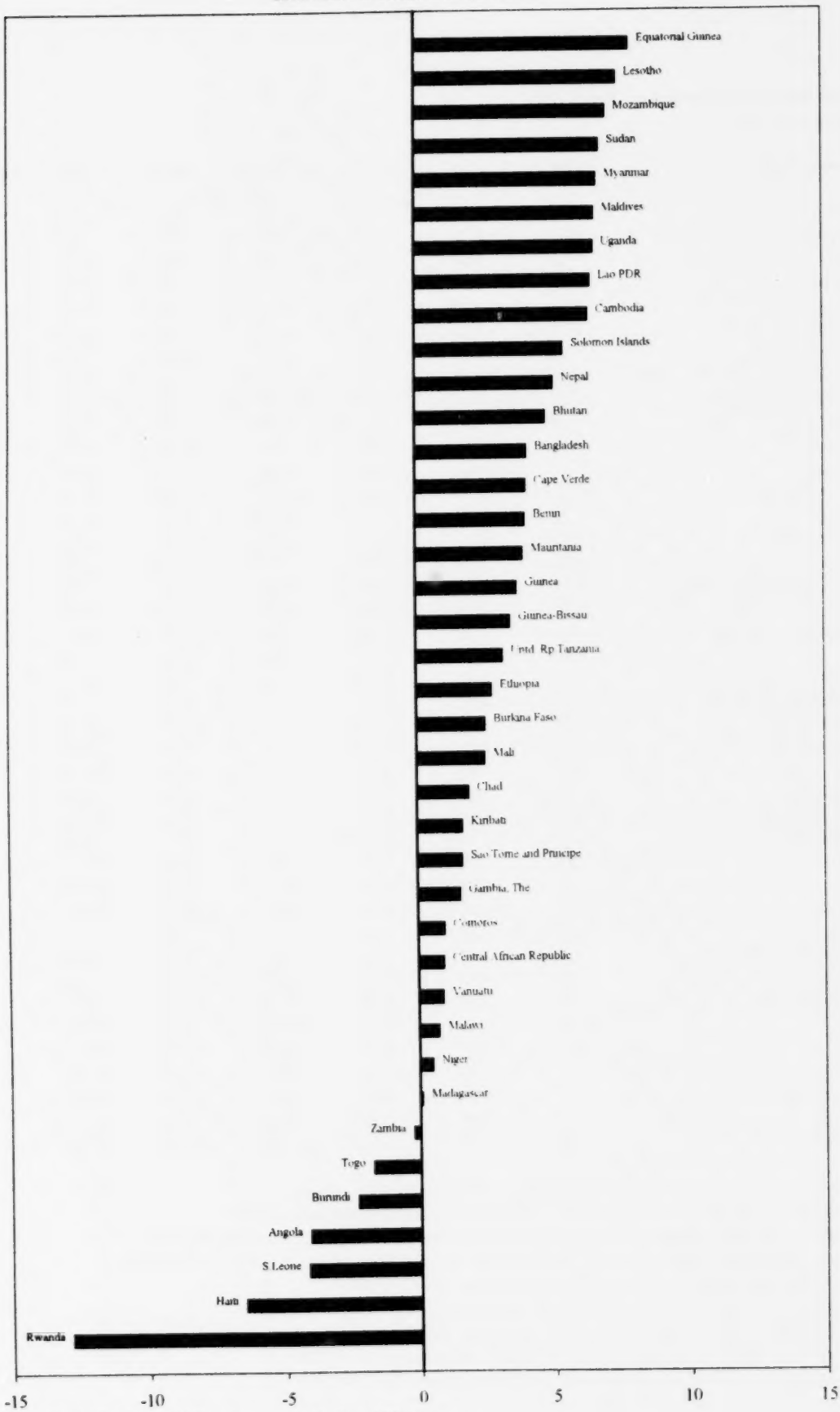
Least Developed Countries - Real GDP

(Annual percent change)

Country Name	1990	1991	1992	1993	1994	1995	Annual Ave. (1990-95)
Angola	-0.27	0.76	1.46	-24.40	7.69	6.26	-4.10
Bangladesh	6.65	3.38	4.17	4.41	4.13	4.35	4.14
Benin[a]	3.39	4.81	4.16	3.24	4.41	4.79	4.06
Bhutan	5.56	5.07	3.75	4.50	5.10	6.50	4.83
Burkina Faso	-1.16	9.24	2.59	-0.94	1.29	4.54	2.56
Burundi	3.57	5.23	2.74	-6.03	-6.63	-3.77	-2.34
Cambodia	1.01	7.76	8.02	5.11	4.60	7.77	6.41
Cape Verde[b]	2.47	4.93	3.37	4.02	4.50	4.70	4.10
Central African Republic	0.73	-1.61	-1.59	-2.49	7.40	4.10	0.96
Chad	0.66	6.81	0.32	-2.90	3.99	5.50	1.94
Comoros	5.12	-5.51	7.72	3.84	-2.30	-2.31	1.00
Djibouti[c]	..	0.40	-0.20	-3.90	-2.90	-3.10	..
Equatorial Guinea	3.33	-0.97	13.72	7.35	6.80	11.20	7.94
Ethiopia	3.78	-5.23	-2.72	12.42	2.11	4.91	2.81
Gambia, The	0.68	8.16	6.80	0.43	-6.82	3.17	1.58
Guinea	4.24	2.37	2.88	4.63	4.00	4.58	3.75
Guinea-Bissau	3.29	3.07	2.77	2.82	6.43	1.69	3.50
Haiti	-0.10	-3.04	-14.79	-2.64	-10.56	4.50	-6.49
Kiribati	-1.37	3.49	0.81	1.00	1.70	2.60	1.70
Lao PDR	7.09	3.61	7.00	5.87	8.16	7.16	6.50
Lesotho	3.94	2.22	2.60	5.02	17.53	9.97	7.48
Madagascar	1.32	-6.82	1.61	2.01	-0.06	1.78	0.11
Malawi	8.79	6.23	-10.00	15.19	-12.93	13.54	0.74
Maldives	16.21	7.63	6.29	6.16	6.59	7.16	6.64
Mali	0.33	-0.85	8.41	-2.37	2.28	6.39	2.54
Mauritania	-2.07	2.83	1.81	5.87	4.37	4.61	3.97
Mozambique	1.02	4.89	-0.81	19.32	5.40	4.29	7.08
Myanmar*	2.68	-0.88	9.75	5.69	6.71	9.78	6.73
Nepal	4.66	6.28	4.00	3.77	8.22	3.32	5.11
Niger	5.18	2.49	-6.50	1.42	3.93	3.20	0.51
Rwanda	-4.61	-5.26	8.36	-10.35	-48.03	23.02	-12.84
Samoa	-4.42	-0.39	-3.26	..	..	..	..
Sao Tome and Principe	-2.14	1.43	1.50	1.30	2.20	2.00	1.67
S.Leone	2.10	-9.52	-10.71	0.64	4.32	-9.20	-4.18
Solomon Islands	1.78	3.59	9.36	1.78	5.29	8.47	5.49
Sudan[d]	-1.52	0.65	11.30	7.60	5.50	4.40	6.83
Togo	-0.19	-0.90	-6.27	-14.71	12.98	8.22	-1.77
Uganda	6.37	5.43	3.24	8.35	6.07	11.18	6.61
Untd. Rp.Tanzania	4.22	4.26	2.54	2.44	3.69	4.00	3.23
Vanuatu	5.10	-8.89	0.58	7.62	2.00	..	0.92
Zambia	0.30	-0.45	0.12	2.38	-1.58	-3.09	-0.24

Country growth rates are calculated using constant price data in the local currency.
Annual average growth rates(1990-1995) are calculated using constant GDP data in US$.
For Benin, Cape Verde, Sudan and Vanuatu annual average growth rates are calculated for 1990-1994.
Excludes Afghanistan, Liberia, Somalia, Tuvalu,Yemen Rep., and Zaire, for which data are not available.
Source: The World Bank *'World Development Indicators 1997 CD-Rom'*.
* Source: IMF International Financial Statistics April 1997.
[a] Source: Benin (1995 data) IMF Staff Country Report No. 96/102.
[b] Source: Cape Verde (1995 data estimate) IMF Staff Country Report No. 96/103.
[c] Source: Djibouti (1995 data estimate) IMF Staff Country Report No. 96/44.
[d] Source: Sudan (1995 data) IMF Staff Country Report No. 97/17.

Real GDP Growth, Average 1990-95



Source: The World Bank *'World Development Indicators 1997'*

Table A.4

Least Developed Countries: GNP data in 1995

Country Name	Gross National Product (GNP)	GNP per capita
	(MILLIONS US$)	*(US$)*
Angola	4176.4	410
Bangladesh	29068.5	240
Benin	2013.4	370
Bhutan	297.3	420
Burkina Faso	2304.8	230
Burundi	1050.6	160
Cambodia	2761.8	270
Cape Verde	383.4	960
Central African Rp.	..	340
Chad	1116.5	180
Comoros	227.8	470
Djibouti	..	..
Equatorial Guinea	149.9	380
Ethiopia	5226.7	100
Gambia. The	..	320
Guinea	3553.4	550
Guinea-Bissau	252.8	250
Haiti	2026.0	250
Kiribati	..	920
Lao People's Dem.Rp.	1733.6	350
Lesotho	1478.6	770
Liberia	..	..
Madagascar	3036.6	230
Malawi	1283.5	170
Maldives	251.5	990
Mali	2324.4	250
Mauritania	1014.0	460
Mozambique	1303.1	80
Myanmar	..	..
Nepal	4497.0	200
Niger	1790.9	220
Rwanda	1131.0	180
Samoa	196.6	1120
Sao Tome and Princ	40.0	350
Sierra Leone	767.8	180
Solomon Islands	350.3	910
Somalia	..	..
Sudan	..	..
Togo	1226.6	310
Uganda	5597.0	240
Untd.Rp.Tanzania	3535.9	120
Vanuatu	213.2	1200
Yemen. Republic of	4001.6	260
Zaire	5146.9	120
Zambia	3581.4	400

Source: World Bank *'World Development Indicators 1997 CD - Rom'*.

Table A.5

LDCs - by Country: Consumer Price Indices (1990 prices)

(Annual percent change)

Country Name	1990	1991	1992	1993	1994	1995	Annual Ave. (1990-95)*
Afghanistan	157.8	166.0	58.2	34.0	20.0	14.0	75.0
Angola	1.8	83.6	299.1	1379.5	949.8	2553.7	877.9
Bangladesh	6.0	6.3	3.5	3.1	6.3	7.4	5.4
Benin	1.1	2.1	5.9	0.5	38.5	15.1	10.5
Bhutan	10.0	12.3	12.7	8.9	8.2	8.0	10.0
Burkina Faso	-0.5	2.5	-2.0	0.5	25.2	7.4	5.5
Burundi	7.0	9.0	4.5	9.7	14.9	19.4	10.7
Cambodia	141.8	197.0	75.0	114.5	-0.5	7.8	89.3
Cape Verde	10.6	8.0	7.0	5.9	3.4	7.1	7.0
Cent.Afr.Rep	-0.2	-2.8	-0.8	-2.9	24.5	19.2	6.2
Chad	0.5	4.2	-3.8	-7.0	41.3	9.0	7.4
Comoros	1.6	1.7	-1.4	1.9	25.0	4.8	5.6
Djibouti	7.8	6.8	3.4	4.4	6.5	4.9	5.6
Eq.Guinea	0.7	4.9	-3.2	0.3	38.9	6.3	8.0
Ethiopia	9.6	20.8	23.0	10.1	1.2	13.4	13.0
Gambia	10.2	9.1	12.0	5.9	4.0	4.0	7.5
Guinea	19.4	19.6	16.6	7.1	4.1	4.0	11.8
Guinea-Bissau	33.0	57.6	69.6	48.1	15.2	45.4	44.8
Haiti	20.4	19.5	17.7	20.2	42.6	15.0	22.6
Kiribati	3.8	5.7	4.0	6.1	5.1	6.5	5.2
Lao P.Dem.R.	35.7	13.4	9.9	6.3	6.8	25.7	16.3
Lesotho	17.6	16.6	13.0	7.0	6.7	8.9	11.6
Liberia	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Madagascar	11.8	8.5	15.3	9.2	39.0	49.0	22.1
Malawi	11.9	8.2	23.2	22.8	34.7	83.4	30.7
Maldives	3.6	14.7	16.8	20.2	16.5	5.4	12.9
Mali	1.6	1.5	-5.9	-0.6	24.8	12.4	5.6
Mauritania	6.4	5.6	10.1	9.4	4.1	6.5	7.0
Mozambique	43.7	32.9	45.5	42.2	63.2	54.4	47.0
Myanmar	21.9	29.1	22.3	33.6	22.4	28.9	26.4
Nepal	9.8	21.0	8.9	8.9	7.6	7.0	10.5
Niger	-2.0	-1.9	-1.7	-0.4	36.1	10.6	6.8
Rwanda	4.2	12.9	3.9	8.6	71.5	22.2	20.6
Samoa	15.2	-1.3	9.0	1.8	18.4	1.0	7.3
Sao Tome Prn	42.2	46.5	33.7	31.8	48.0	64.5	44.5
Sierra Leone	110.9	102.7	65.5	17.6	18.4	29.8	57.5
Solomon Is.	8.6	10.8	9.2	10.4	17.1	9.7	11.0
Sudan	56.0	111.0	110.0	103.0	118.0	57.0	92.5
Togo	1.1	0.4	1.4	-0.1	35.3	15.7	9.0
Uganda	24.5	42.2	30.0	6.2	6.1	8.8	19.6
Unid.Rp.Tanz	30.4	31.7	24.8	23.8	30.2	34.0	29.2
Vanuatu	5.0	5.6	4.1	1.7	2.4	2.2	3.5
Yemen	..	44.9	50.6	62.3	71.8	48.0	55.5
Zaire	81.3	2154.0	4130.0	1890.0	23769.8	541.9	5427.8
Zambia	109.6	92.6	191.4	189.0	52.3	35.8	111.8
Least developed countries	25.3	39.2	35.6	28.8	39.1	23.9	32.0

* The annual average is an arithmetic average of the growth rates 1990 - 1995.

** The annual average is a geometric average of the growth rates 1990 - 1995.

Excludes Somalia and Tuvalu, for which data are not available.

Source: IMF *World Economic Outlook October 1996*.

Table A.6

Least Developed Countries: Annual Growth of Exports of Goods and Services (BoP)
(in percent)

Country Name	1990	1991	1992	1993	1994	1995	Annual Ave. *(1990-95)*
Afghanistan	..	..	..	..	..	..	..
Angola	26.18	-9.31	9.81	-24.38	3.55	17.06	-3.34
Bangladesh	18.74	10.99	16.77	17.81	5.20	35.10	15.84
Benin	32.83	14.33	11.92	-6.94	-15.39	20.73	1.52
Bhutan	2.26	-0.42	-8.89	5.69	-1.10	10.00	0.34
Burkina Faso	47.96	-3.36	-10.59	-3.62	-6.48	26.73	-2.12
Burundi	-17.61	32.62	-20.39	-6.70	8.15	35.47	3.22
Cambodia	..	..	..	10.62	56.63	77.99	..
Cape Verde	6.41	-12.77	9.38	-15.56	24.80	36.19	5.36
Central African Republic	2.79	-19.81	-8.58	12.87	-1.48	30.56	1.39
Chad	37.19	-17.22	-6.88	-4.85	-4.42	40.54	-1.76
Comoros	-2.24	40.99	2.22	63.23	-22.91	22.83	16.18
Djibouti	..	..	..	15.01	-8.49	-11.40	..
Equatorial Guinea	9.79	-0.92	38.07	-0.06	21.66	28.81	16.56
Ethiopia	-10.68	-19.15	-16.65	11.98	9.69	44.61	3.14
Gambia, The	1.31	32.90	1.97	3.86	-8.94	-17.99	0.51
Guinea	18.51	0.38	-18.62	10.48	-10.61	4.93	-3.89
Guinea-Bissau	35.63	6.13	-68.35	146.68	108.08	-28.03	10.32
Haiti	34.32	-18.36	-56.05	2.89	-45.40	220.50	-16.60
Kiribati	-6.98	46.81	19.10	-2.93	25.97	3.10	15.52
Lao PDR	19.35	31.25	44.35	68.66	18.43	14.89	37.11
Lesotho	0.82	7.96	39.34	13.58	6.02	20.36	17.27
Liberia	..	..	..	..	..	..	..
Madagascar	3.76	2.74	3.59	4.20	25.67	14.23	9.83
Malawi	48.04	16.02	-16.66	-18.91	10.75	7.84	-3.94
Maldives*	18.45	3.66	18.99	-1.19	26.40	..	10.81
Mali	23.58	1.85	-3.50	1.39	-7.20	36.51	2.57
Mauritania	-2.25	-0.79	-8.57	-0.60	0.30	24.76	0.92
Mozambique	14.59	34.92	-1.81	2.67	9.17	20.79	9.68
Myanmar*	16.14	-6.24	43.06	9.12	19.32	..	16.89
Nepal	-2.10	15.32	30.42	18.42	43.29	10.37	24.71
Niger	26.12	-24.73	0.98	-16.82	-23.65	6.61	-12.91
Rwanda	-1.93	-4.31	-27.94	2.11	-56.81	78.00	-16.92
Samoa	1.54	-16.24	14.11	-0.61	10.52	37.35	7.41
Sao Tome and Principe	-16.15	28.76	-3.87	15.55	3.21	12.90	9.29
Sierra Leone	17.90	3.57	-9.08	-10.46	22.29	-36.90	-6.29
Solomon Islands*	-5.68	20.51	19.76	23.69	12.02	..	19.47
Somalia	-3.47	..	..	..	..	..	..
Sudan*	-12.97	-37.21	-5.12	3.60	51.12	..	-1.56
Togo	22.82	-4.83	-12.99	-38.89	19.79	27.67	-8.55
Uganda	-19.08	-19.11	-2.01	22.05	39.92	88.29	20.14
Untd. Rp.Tanzania	1.14	-6.15	12.45	33.26	22.80	34.35	19.81
Vanuatu	36.78	9.54	8.37	-1.61	19.61	6.47	8.02
Yemen, Rep.	..	-11.97	-4.22	7.04	47.16	7.30	9.18
Zaire	-1.84	..	..	..	..	..	..
Zambia	-4.55	-7.73	2.18	-12.57	12.20	10.65	-0.03

* For these countries annual average growth rates are calculated for 1990 -1994.
Excludes Tuvalu for which data is not available.

Table A.7

Least Developed Countries - by Country: Exchange rate change*

(Annual percent change)

Country Name	1990	1991	1992	1993	1994	1995	1996	Annual Ave. *(1990-96)*
Afghanistan	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.00
Bangladesh	-10.908	-7.795	-1.089	-2.179	-1.004	-1.242	-4.172	-2.36
Benin	11.386	-0.994	-6.301	-7.065	-81.362	8.343	-6.878	-15.69
Bhutan	-6.093	-42.943	-1.417	-19.771	0.000	-12.110	-2.132	-10.75
Burkina Faso	11.386	-0.994	-6.301	-7.065	-81.362	8.343	-6.878	-15.69
Burundi[a]	5.746	-15.573	-23.783	-11.765	6.597	-12.546		-10.44
Cambodia	-177.778	13.333	-284.615	-15.250	-11.714	1.903	-7.403	-32.79
Cape Verde	9.528	-0.583	-9.958	-17.654	5.642	4.542	-9.954	-4.27
Cent Afr Rep	11.386	-0.994	-6.301	-7.065	-81.362	8.343	-6.878	-15.69
Chad	11.386	-0.994	-6.301	-7.065	-81.362	8.343	-6.878	-15.69
Comoros	11.386	-0.994	-6.303	-7.064	-36.019	8.343	-6.879	-8.77
Djibouti	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.00
Eq Guinea	11.386	-0.994	-6.301	-7.065	-81.362	8.343	-6.878	-15.69
Ethiopia	0.000	0.000	-141.546	0.000	-19.000	-6.218	-1.677	-23.04
Gambia[a]	9.862	-19.506	-2.903	-3.450	-0.461	-0.637		-4.36
Guinea[a]	-9.677	-18.081	-14.878	-5.421	-0.885	-1.729		-7.63
Guinea-Bissau	-26.239	-97.684	-74.537	-32.447	-34.063	-42.683	-59.314	-50.51
Haiti	0.000	-64.833	-32.925	-16.909	-1.109	-24.817	6.603	-18.82
Lao P Dem R	2.523	-2.301	-0.773	-0.139	-0.139	-28.373	-1.300	-5.17
Lesotho	-1.065	-7.023	-11.301	-11.268	-4.298	-2.935	-28.393	-9.44
Liberia	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.00
Madagascar[a]	4.353	-25.025	-4.229	-2.748	-97.235	11.576		-20.45
Malawi[a]	1.194	-0.642	-65.015	-2.229	-240.423	-0.029		-49.35
Maldives	-4.508	-7.277	-2.083	-5.411	-5.988	0.000	0.000	-3.56
Mali	11.386	-0.994	-6.301	-7.065	-81.362	8.343	-6.878	-15.69
Mauritania	6.834	0.026	-47.905	-7.871	-3.391	-6.808	-3.895	-11.53
Myanmar	6.375	1.086	-3.775	-0.080	5.492	2.067	-3.576	0.64
Nepal	-6.294	-40.461	-1.171	-13.981	-1.300	-12.269	-1.839	-9.63
Niger	11.386	-0.994	-6.301	-7.065	-81.362	8.343	-6.878	-15.69
Rwanda	-56.042	1.098	-22.105	-37.622	31.282	-116.736	-1.451	-17.61
Samoa	-1.878	-4.972	-4.451	-1.955	5.982	-3.059	3.668	-0.53
Sierra Leone	-188.681	-130.435	-21.053	-9.750	-6.124	-53.896	3.636	-25.77
Solomon Is *	-9.053	-6.924	-10.912	-4.774	-2.494	-4.416		-5.87
Sudan	0.000	-233.178	-801.321	-60.870	-84.000	-31.580	-175.361	-148.84
Togo	11.386	-0.994	-6.301	-7.065	-81.362	8.343	-6.878	-15.69
Uganda	-45.946	-69.444	-33.022	7.148	17.996	-8.921	-1.996	-6.87
Untd Rp Tanz	-2.236	-18.973	-43.224	-43.245	-9.082	-5.140	-8.227	-21.63
Vanuatu	1.310	-1.410	-7.410	-1.513	7.219	-1.481	2.611	-0.12
Yemen	.	0.000	0.000	0.000	0.000	-316.653	0.000	-29.03
Zaire[a]	-400.000	-2000.000	-3057.143	-5179.035	-9185.714	-356.338		-3199.87
Zambia	-97.473	-108.098	-304.316	-39.000	-36.054	-47.000	-25.000	-74.58

*** Exchange rate** is NC/US$ end of period.

[a] For these countries, annual average growth rate is 1990 - 1995.

Data excludes Angola, Eritrea, Kiribati ,Mozambique, Somalia and Tuvalu.

Source: IMF *International Financial Statistics* .

Table A.8

Least Developed Countries: Overall budget deficit, including grants
(in percent of GDP)

Country Name	1991	1992	1993	1994	1995	Annual Ave. (1991-95)
Afghanistan	..	..	..	..	..	..
Angola[1]	-17.90	-23.80	0.20	-11.00 ..		-13.13
Bangladesh#	-7.2	...	-5.8	...	-6.2	-6.40
Benin[2]	-7.04	-9.07	-6.30	-8.13	-8.66	-7.84
Bhutan	-0.85	-3.90	-0.24	-0.10	-3.10	-1.64
Burkina Faso[3]	..	..	-4.56	-5.10	-3.55	-4.40
Burundi	2.06	0.70	1.31	2.35	0.85	1.45
Cambodia[4]	-3.40	-3.60	-5.70	-7.00	..	-4.93
Cape Verde[5]	-6.50	-10.20	-7.80	-16.90	-16.30	-11.54
Central African Republic[6]	-12.46	-11.07	-1.47	-21.56	..	-11.64
Chad[7]	-7.24	-15.30	-13.50	-18.90	-14.10	-13.81
Comoros[8]	-6.60	-2.50	1.80	-6.30	-2.9	-3.30
Djibouti[9]	-6.40	-11.30	-9.20	-6.20	-3.40	-7.30
Equatorial Guinea[10]	-5.67	-21.32	-13.62	-2.92	-10.79	-10.86
Ethiopia	-8.50	-7.16	-7.23	-8.46	..	-7.84
Gambia, The*	-1.25	4.78	4.79	..	..	2.77
Guinea[11]	-3.42	-3.12	-3.79	-3.03	-4.15	-3.50
Guinea-Bissau	-13.37	-15.53	..	..	..	-14.45
Haiti*	-1.47	-3.71	-2.65	-3.42	-2.37	-2.72
Kiribati	..	..	..	..	..	..
Lao PDR[12]	-6.80	-5.20	-4.40	-5.20	-4.20	-5.16
Lesotho**	-0.55	4.20	6.36	0.01	0.01	2.01
Liberia#	-22.1	-21.7	-21.6	-21.3	-20.9	-21.52
Madagascar*	-5.11	-6.20	-4.77	-4.03	-1.56	-4.33
Malawi[13]	-3.00	-12.10	-5.40	-15.10	-5.70	-8.26
Maldives	-14.14	-17.59	-17.34	-7.41 ..		-14.12
Mali[14]	-4.40	-3.20	-3.00	-7.00	-4.10	-4.34
Mauritania#	-5.0	-3.0	-7.5	1.0	1.4	-2.62
Mozambique[15]	-5.60	-5.40	-5.10	-8.20	-4.90	-5.84
Myanmar	-4.81	-2.83	-2.21	-3.61	..	-3.37
Nepal*	-8.23	-6.73	-6.04	-3.75	-4.55	-5.86
Niger[16]	-5.30	-5.11	-5.52	-18.03	-7.20	-8.23
Rwanda	-3.16	-5.53	-6.90	..	..	-5.19
Samoa[17]	-16.20	-22.70	-11.80	-10.30	-3.80	-12.96
Sao Tome and Principe[18]	-40.80	-44.00	-40.90	-66.50	..	-48.05
Sierra Leone*	-5.44	-5.04	-3.66	-4.80	-5.61	-4.91
Solomon Islands	..	..	..	..	..	..
Somalia#	-3.8	-5.8	-6.2	...	...	-5.27
Sudan[19]	..	-8.20	-4.10	-1.70	-3.20	-4.30
Togo#	-6.0	-1.1	-12.2	-10.5	..	-7.45
Tuvalu	..	..	..	..	..	..
Uganda*	-2.71	-7.15	-2.82	-3.40	-2.26	-3.67
Untd. Rep.Tanzania**	-5.06	-4.84	-8.09	-7.46	-3.15	-5.72
Vanuatu	..	..	..	..	..	..
Yemen, Rep.	-6.36	-17.39	-17.25	..	..	-13.67
Zaire#	-21.4	-19.7	-20.4	-1.0	-1.0	-12.70
Zambia	-21.11	-6.55	..	..	-2.90	-10.19

Note: The fiscal deficit or surplus is the balance between Total Revenue and Grants, and Total Expenditure and Lending Minus Repayments.
The annual average is an arithmetic average of the ratios 1990-1995.

* Source: IMF International Financial Statistics.

** Lesotho and Tanzania: *IFS*; 1995 GDP data are estimates, based on WB Development Indicators publication.

Source: African Development Report 1996.

[1] Angola: IMF Staff Country Report No. 95/122.(cash basis).

[2] Benin: IMF Staff Country Report No. 96/102.(cash basis).

[3] Burkina Faso: IMF EBS/96/85(PC file), (cash basis).

[4] Cambodia: IMF Staff Country Report No. 95/108.(cash basis).

[5] Cape Verde: IMF Staff Country Report No. 96/103.(cash basis).

[6] Central African Rep.: IMF Staff Country Report No. 95/74.(cash basis)

[7] Chad: (1992-1995) IMF Staff Country Report No. 96/61.(cash basis).

Table A.8

[8] Comoros: IMF Staff Country Report No. 96/106.(cash basis) 1995 is an estimate.
[9] Djibouti: IMF Staff Country Report No. 96/44 (cash basis).
[10] Equatorial Guinea: IMF Staff Country Report No. 96/148 (cash basis).
[11] Guinea: (1993-1995) IMF EBS/96/204 (cash basis).
[12] Lao: IMF Staff Country Report No. 96/54.(Including grants cash basis).
[13] Malawi: (1991-1995) IMF Staff Country Report No. 96/68.(Including grants cash basis).
[14] Mali: IMF Staff Country Report No. 96/141.(Including grants cash basis).
[15] Mozambique: IMF Staff Country Report No. 96/70.(Including grants cash basis).
[16] Niger: IMF Staff Country Report No. 96/65.(Including grants cash basis).
[17] Samoa: IMF Staff Country Report No. 95/118.(Including grants cash basis) (1995 data an estimate).
[18] Sao Tome and Principe : IMF Staff Country Report No. 95/65.(Including grants cash basis).
[19] Sudan : IMF Staff Country Report No. 97/17.(Including grants cash basis).

Table A.9

Least Developed Countries: Ratio of Current Account Balance to GDP
(*in percent*)

Country Name	1990	1991	1992	1993	1994	1995	1990-1995
Afghanistan	..	..	..	..	..	..	..
Angola	-2.6	-12.8	-13.7	-18.1	..	..	-10.0
Bangladesh	-7.0	-4.2	-2.4	-2.6	-1.6	-3.5	-3.5
Benin	1.0	-0.4	-1.8	-0.7	2.4	..	-0.1
Bhutan	-9.8	-6.9	-9.9	-29.7	-14.0	-18.4	-14.8
Burkina Faso	-2.8	-3.2	-0.8	-2.5	0.8	..	-1.9
Burundi	-6.1	-2.9	-5.5	-3.1	-1.8	-0.6	-3.4
Cambodia	..	..	-4.7	-4.7	-6.6	-6.7	-5.8
Cape Verde	-4.4	-2.7	-1.1	-3.4	-9.0	-9.2	-5.2
Central African Republic	-6.8	-4.8	-6.2	-1.0	-2.8	..	-4.5
Chad	-3.8	-5.1	-6.5	-9.7	-4.1	..	-5.9
Comoros	-3.7	-3.6	..	..	..	..	-3.7
Djibouti	..	..	-18.6	-7.3	-9.5	-4.6	-9.9
Equatorial Guinea	-14.4	-18.9	..	..	..	..	-16.6
Ethiopia	-3.4	1.1	-2.3	-0.8	2.6	-0.5	-0.7
Gambia, The	6.5	4.1	10.2	-1.5	2.3	-2.1	3.1
Guinea	-7.2	-9.7	-8.8	-1.8	-7.3	-5.3	-6.6
Guinea-Bissau	-25.6	-33.3	-46.8	-27.1	-20.9	-16.1	-27.9
Haiti	-0.7	-1.7	0.4	-1.1	0.2	-3.3	-1.1
Kiribati	-28.5	12.6	-26.7	-12.2	3.6	..	-9.7
Lao PDR	-12.8	-11.2	-9.4	-12.5	-15.8	-12.7	-12.6
Lesotho	10.8	12.9	5.0	3.9	12.2	..	8.9
Liberia	..	..	..	..	..	..	..
Madagascar	-8.6	-8.6	-6.6	-7.7	-9.3	-8.6	-8.2
Malawi	-4.6	-10.5	-15.3	-8.2	-35.0	..	-13.2
Maldives	5.9	-5.5	-10.3	-21.9	..	..	-0.7
Mali	-10.1	-7.3	-8.9	-8.0	-8.9	..	-8.6
Mauritania	-0.9	-2.6	-9.9	-18.4	-6.8	-2.6	-6.7
Mozambique	-28.8	-24.0	-29.7	..	..	..	-27.4
Myanmar	..	..	..	..	..	..	..
Nepal	-8.6	-10.6	-7.9	-8.4	-5.9	-8.9	-8.3
Niger	-9.5	-7.6	-6.8	-4.4	-8.2	..	-7.3
Rwanda	-4.2	-1.8	-4.1	-6.5	..	..	-4.2
Samoa	5.0	-19.8	-35.4	..	..	..	-16.8
Sao Tome and Principe	-26.5	..	..	..	..	..	-26.5
Sierra Leone	-7.7	1.9	-0.8	-7.5	-10.1	..	-5.1
Solomon Islands	-13.1	-15.3	-0.5	..	..	..	-9.2
Sudan	-9.7	-23.6	-22.6	..	..	..	-17.7
Togo	-6.1	-9.2	-8.6	-13.7	-5.9	..	-8.7
Uganda	-10.0	-13.5	-11.8	-11.8	-7.8	-7.6	-10.0
Untd. Rp.Tanzania	-14.4	-17.6	-17.1	-20.7	-20.1	-17.5	-17.8
Vanuatu	-4.0	-8.5	-8.0	-9.1	-10.9	..	-8.2
Yemen, Rep.	5.7	-17.1	-24.2	-30.0	6.5	3.0	-8.1
Zaire	..	..	..	..	..	..	..
Zambia	-18.1	-9.0	..	..	..	..	-13.5

Excludes Somalia and Tuvalu for which data are not available.

Source: The World Bank *World Development Indicators* 1997.

Table A.10

Least Developed Countries: Ratio of Domestic Investment over GDP (Current Prices)
(in percent of GDP)

	1990	1991	1992	1993	1994	1995	Annual Ave. *(1990-1995)*
Afghanistan	..	..	..	..	..	..	..
Angola	11.7	15.0	14.5	14.5	14.2	27.3	15.2
Bangladesh	12.8	11.5	12.1	14.3	15.4	16.6	13.9
Benin	14.2	14.3	13.8	14.3	19.6	..	15.0
Bhutan	20.3	23.6	43.4	28.2	32.2	..	29.4
Burkina Faso	20.6	20.6	21.4	23.0	22.1	..	21.5
Burundi	14.5	14.4	17.8	17.6	9.3	11.0	14.1
Cambodia	8.2	9.4	9.8	14.3	19.5	..	13.1
Cape Verde	32.8	34.9	32.2	44.6	..	..	36.2
Central African Rep.	10.2	11.8	11.8	8.6	13.7	15.1	11.7
Chad	9.4	8.1	8.5	9.4	..	..	8.8
Comoros	19.7	20.3	22.4	16.7	16.9	17.1	18.9
Djibouti	..	14.4	19.5	17.9	11.7	12.0	15.0
Eq. Guinea	26.6	43.3	24.2	25.1	23.1	..	28.2
Ethiopia	8.9	7.1	9.4	12.6	16.7	17.2	11.2
Gambia	19.7	19.7	21.0	21.0	21.0	..	20.5
Guinea	17.5	16.5	16.5	16.2	13.6	14.8	15.7
Guinea Bissau	24.5	26.9	30.3	25.6	19.7	16.4	23.7
Haiti	12.2	11.2	3.7	3.8	1.7	..	7.8
Kiribati	82.3	63.8	56.2	..	..	..	67.2
Lao People's Dem. R.	12.3	12.7	..	..	..	..	12.5
Lesotho	72.7	80.9	82.9	82.9	85.8	87.3	82.8
Liberia	..	..	..	..	..	..	..
Madagascar	17.0	8.2	11.3	11.4	10.9	10.8	11.7
Malawi	19.1	20.1	18.8	12.2	16.1	14.7	17.0
Maldives	..	..	..	..	..	..	..
Mali	22.4	22.8	21.9	21.9	26.5	26.0	23.4
Mauritania	20.0	17.9	20.5	23.5	16.1	14.5	18.7
Mozambique	45.9	48.5	53.2	59.7	60.2	..	53.6
Myanmar	..	..	..	..	..	..	..
Nepal	18.4	20.8	21.2	23.1	22.4	23.5	21.7
Niger	8.1	9.2	5.4	5.7	..	..	7.1
Rwanda	10.7	10.0	11.0	12.0	9.1	13.1	11.0
Samoa	34.4	40.5	42.0	..	..	..	39.0
Sao Tome and Principe	27.2	45.6	48.5	48.9	49.7	..	43.6
Sierra Leone	11.6	15.8	15.9	11.2	8.3	5.7	11.3
Solomon Isls.	29.0	..	..	..	..	..	29.0
Somalia	15.5	..	..	..	..	..	15.5
Sudan	13.6	12.7	..	..	..	..	13.2
Togo	24.9	14.8	13.8	4.0	11.6	13.6	14.4
Uganda	12.7	15.2	15.9	15.2	14.7	16.4	15.0
Untd.Rp.Tanz	36.4	34.6	31.3	32.4	31.3	31.0	32.9
Vanuatu	43.6	..	..	..	..	..	43.6
Yemen	11.2	11.0	15.6	15.0	11.9	..	12.8
Zaire	..	..	..	..	..	..	..
Zambia	17.3	11.0	11.9	10.4	6.9	11.7	11.4

Ratios for 1990-1995 do not always cover the period, totals have been calculated according to the availability of GDI data.

Source: World Bank *World Development Indicators 1997*.

Table A.11

Least Developed Countries: Real Interest rate*(using consumer price index)
(in percent)

Country Name	1990	1991	1992	1993	1994	1995
Bangladesh	5.5	5.8	7.0	5.1	0.1	-1.4
Benin	5.9	4.9	1.9	7.7	-35.0	-11.1
Bhutan	-3.5	-5.8	-4.7	-0.9	-0.2	0.0
Burkina Faso	7.5	4.5	9.7	8.0	..	..
Burundi	0.3	0.4	6.0	0.5	-4.8	-9.8
Cambodia	..	..	..	..	8.4	0.9
Cape Verde	-6.6	-4.0	-3.0	-1.9	0.6	-2.1
Cent Afr.Rep	7.7	10.3	8.3	10.7	-16.5	-13.7
Chad	7.0	3.3	11.3	14.8	-33.2	-3.5
Comoros	4.4	5.3	8.4	5.1	-20.0	0.2
Djibouti	..	1.2	0.4	-1.4	-2.5	-0.9
Eq Guinea	6.8	2.6	10.7	7.5	-30.8	-0.8
Ethiopia	-7.2	-15.8	-19.4	1.4	10.3	-1.9
Gambia	1.1	3.6	1.8	7.1	8.6	8.5
Guinea	1.6	2.4	6.4	12.7	13.9	13.5
Guinea-Bissau	-0.3	-21.6	-30.3	5.8	13.5	-18.9
Haiti	-8.9	-9.2	-11.1	-14.7	-37.1	-9.5
Lao P Dem R	-5.7	10.1	5.1	7.1	5.2	-11.7
Lesotho	-4.6	-3.6	-2.4	1.1	1.7	4.4
Liberia	..	..	..	..	-3.7	..
Madagascar	..	..	..	10.3	-19.5	-30.5
Malawi	0.2	4.3	-6.7	-1.1	-9.7	-46.1
Mali	5.4	5.5	13.7	9.1	-19.3	-6.4
Mauritania	-1.4	-0.6	-5.1	..	..	..
Myanmar	-16.0	-20.1	-13.3	-24.6	-13.4	-18.9
Nepal	-1.3	-12.5	0.1	-0.4	-0.7	2.5
Niger	9.0	8.9	9.5	8.9	-31.6	-6.1
Rwanda	2.7	-4.2	3.8	-3.6	..	-11.2
Samoa	-7.0	9.6	-2.6	3.7	-12.9	4.5
Sao Tome Prn	-24.2	-7.5	5.3	..	..	..
Sierra Leone	-70.4	-54.9	-10.8	9.4	-6.8	-22.8
Solomon Is.	1.9	-0.3	2.8	-0.6	-8.1	-1.3
Togo	5.9	6.6	6.4	..	..	..
Uganda	6.8	-11.0	5.8	10.1	3.9	-1.2
Vanuatu	2.0	1.4	0.6	3.3	2.7	..
Zambia	-84.0	-63.9	-142.9	..	-37.9	2.6

* **Real interest rate** is the deposit interest rate (IFS line 60l) adjusted by the inflation rate (measured by the consumer price index)

Table A.12

Least Developed Countries: Debt data in 1995

Country Name	Total Debt Stocks (EDT) (*MILLIONS US$*)	Total Debt Service Paid (TDS) (*MILLIONS US$*)	EDT / GNP *(in percent)*	EDT / XGS *(in percent)*	TDS / XGS *(in percent)*	SDS / XGS *(in percent)*
Angola	11482.1	458.3	274.9	314.3	12.5	163.5
Bangladesh	16369.8	729.4	56.3	298.2	13.3	14.8
Benin	1646.2	48.8	81.8	285.6	8.5	13.4
Bhutan	87.2	8.9	29.3	..	..	..
Burkina Faso	1267.3	48.3	55	346.1	13.2	27.0
Burundi	1156.9	38.6	110.1	829.3	27.7	31.3
Cambodia	2031.0	6.4	73.5	205.4	0.6	60.6
Cape Verde	216.3	5.8	56.4	118.4	3.2	20.9
Central African Rep.	943.9	15.8	..	403.9	6.8	53.1
Chad	908.4	15.7	81.4	339	5.9	22.3
Comoros	203.3	1.0	89.2	191.4	0.9	33.3
Djibouti	260.2	10.3	..	122.9	4.8	17.7
Equatorial Guinea	293.0	2.1	195.5	343.9	2.5	163.1
Ethiopia	5221.3	154.6	99.9	458.2	13.6	118.3
Gambia, The	425.6	25.3	..	235.1	14	21.3
Guinea	3241.7	181.0	91.2	453.4	25.3	91.1
Guinea-Bissau	894.0	16.1	353.7	1,874.30	33.7	412.6
Haiti	806.8	94.3	39.8	386.8	45.2	46.2
Lao People's Democ	2165.0	26.0	124.9	478.3	5.8	5.7
Lesotho	659.0	40.1	44.6	108.8	6.6	10.0
Liberia	2127.0	1.7	..	..	..	..
Madagascar	4301.6	70.0	141.7	562.2	9.2	228.0
Malawi	2140.3	108.3	166.8	499.6	25.3	28.8
Maldives	154.9	10.8	61.6	102.2	7.1	7.1
Mali	3065.7	80.4	131.9	467.1	12.2	86.7
Mauritania	2467.0	115.7	243.3	458.5	21.5	92.0
Mozambique	5781.1	173.0	443.6	1,192.50	35.7	312.5
Myanmar	5770.5	249.9	..	..	..	..
Nepal	2398.4	94.3	53.3	198	7.8	8.2
Niger	1633.4	57.8	91.2	571.7	20.2	65.7
Rwanda	1007.7	19.8	89.1	657.3	12.9	55.5
Samoa	161.9	4.6	82.3	149.7	4.2	4.3
Sao Tome and Princ	277.3	2.1	693.2	2,166.30	16.2	329.7
Sierra Leone	1226.4	82.7	159.7	1,163.50	78.5	113.0
Solomon Islands	157.5	8.1	44.9	..	..	..
Somalia	2678.0	0.7	..	..	..	..
Sudan	17623.2	69.1	..	..	..	..
Togo	1486.3	30.4	121.2	464.5	9.5	39.1
Uganda	3563.6	136.8	63.7	555.1	21.3	63.4
Untd. Rp.Tanzania	7333.2	217.8	207.4	585.2	17.4	218.4
Vanuatu	48.2	1.9	22.6	37.3	1.5	1.5
Yemen, Republic of	6212.0	102.4	155.2	192.1	3.2	91.5
Zaire	13137.0	25.0	255.2	..	..	..
Zambia	6852.6	2616.1	191.3	528.7	201.9	280.0

Source: *Global Development Finance 1997*.

Table No. A.13

Progress on liberalization measures on exchange restrictions

In the case of LDCs: 1996

	National currency	Exchange rate arrangement	Payments restrictions		Special controls applied on:			Restrictions on repatriation of capital and profits	Preferential status/incentives to foreign investments	Forex bureaus	Surrender and repatriation requirement for export proceeds	Access to local finance (local banking system)
			for current transactions	for capital transactions	Other capital movements	Foreign Direct Investments(FDI)	Foreign investments in some sectors					
Afghanistan	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Angola	Adjusted Kwanza	Flexible arrangement: managed floating. No taxes or subsidies on purchases or sales of foreign exchange. No arrangements for forward cover against exchange rate risk	Yes	Yes	Over borrowing abroad		Defense, law and order, education, health, utilities, communications and transportation infrastructure	Dividends and Capital may be repatriated upon liquidation with the prior approval of the Ministry of Finance	In the oil sector		Repatriation and surrender requirement with the exception of foreign oil companies.	
Bangladesh	Bangladesh Taka	Pegged to a basket of currencies. Forwards contracts available	No	Yes. Approval required on inward capital transfers other than foreign investments (FI) in the industrial sector	The issuing and transfer of shares and securities in favor of nonresidents against FI or the transfer from one nonresident holder to another are allowed without prior approval.	FDI other than in industrial sector require approval	With the exception of a few reserved sectors, private foreign investment are freely allowed	Proceeds from sales including capital gains and dividends earned on the shares or securities may be remitted abroad in freely convertible currency. Repatriation of investment is guaranteed	Foreign Private Investment Act provides protection and equitable treatment of foreign private investment, indemnification, protection against expropriation and nationalization.		Repatriation and surrender requirement. Proceeds from exports must be received within four months of shipment unless otherwise allowed by Bangladesh Bank.	Nonresident persons and institutions may buy Bangladesh shares and securities through the stock exchange against freely convertible foreign currency remitted from abroad through banking channels. No restriction on the importat of securities
Benin	CFA Franc*	Pegged to the French franc. No taxes or subsidies on purchases or sales of foreign exchange. Forward exchange contracts may be arranged with the prior authorization of the Minister of Finance	No	Yes. Limited exchange control measures	Over borrowing abroad. Prior approval required in some cases. See note a/	On inward FDI (that must be declared) and all outward investments in foreign countries.			In industry, mining, fisheries, agriculture and tourism. The preferential regime consists of 2 categories depending of the enterprise's size		Repatriation and surrender requirement.	
Bhutan	Ngultrum	Pegged to the Indian rupee. No subsidies or taxes on exchange transactions. No arrangements for forward cover against exchange rate risk.	Yes	Yes					Working towards introducing Foreign Investment Policy and Regulations		Repatriation and surrender requirement. Proceeds of exports in currencies other than the Indian rupee must be surrendered to the Royal Monetary Authority	No direct participation by foreign investors in the stock market.

Table No. A.13

Progress on liberalization measures on exchange restrictions

In the case of LDCs, 1996

	National currency	Exchange rate arrangement	Payments restrictions		Special controls applied on:			Restrictions on repatriation of capital and profits	Preferential status/incentives to foreign investments	Forex bureaus	Surrender and repatriation requirement for export proceeds	Access to local finance (local banking system)
			for current transactions	for capital transactions	Other capital movements	Foreign Direct investments(FDI)	Foreign investments in some sectors					
Burkina Faso	CFA Franc*	Pegged to the French franc. No taxes or subsidies on purchases or sales of foreign exchange. Forward exchange contracts may be arranged with the prior authorization of the Ministry of Finance.	No	Yes. Limited exchange control measures	Over borrowing abroad. Prior approval required in some cases. See note a/	On inward FDI (that must be declared) and all outward investmens in foreign countries.	Foreign firms are required to have national participation in their capital of at least 51% in vital or priority sectors and of at least 35% in all other sectors	Full or partial liquidation of either type of investment requires prior declaration.	Preferential treatment for foreign investments except for enterprises whose capital stock belongs entirely to foreigners		Yes, surrender requirements for export proceeds.	
Burundi	Burundi Franc	Pegged to a basket of currencies reflecting the pattern of Burundi's international trade	Yes	Yes. Exporters of coffee and commercial banks are allowed to borrow foreign exchange to hedge against exchange rate risks.				The repatriation of invested capital in the event of sale or shutdown is guaranteed.	Under the Investment Code, new investments that fulfill specified conditions as to amount and economic importance may be granted priority status to which specified privileges are attached (e.g.exemptions from import duties and taxes)		Repatriation and surrender requirement.	Burundi guarantees each foreign investors the right to move into the country. They are assured an allocation of foreign exchange for the purchase of raw materials abroad as well for the repayment of loans.
Cambodia	Cambodian Riel	Flexible arrangement: managed floating. No taxes or subsidies on purchases or sales of foreign exchange. No arrangements for forward cover against exchange rate risk.	No	Yes	Special control on State-owned entrprises engaging in export/import ; on borrowing abroad by public sector	Foreign investors are required to submit investment applications to the Cambodian Investment Board for review and approval under the Investment Law.					Repatriation and surrender requirement.	
Cape Verde	Cape Verde Escudo	Exchange rate determined on the basis of a weighted basket of currencies. No taxes or subsidies on purchases or sales of foreign exchange. No arrangements for forward cover against exchange rate risk.	Yes	Yes	Any private capital transaction must be approved in advance. The exportation of resident-owned capital is not normally permitted			Legally imported capital, including FDI, may be re-exported without limitation.			Export proceeds must be repatriated within three months.	

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Progress on liberalization measures on exchange restrictions

In the case of LDCs: 1996

	National currency	Exchange rate arrangement	Payments restrictions		Special controls applied on			Restrictions on repatriation of capital and profits	Preferential status/incentives to foreign investments	Forex bureaus	Surrender and repatriation requirement for export proceeds	Access to local finance (local banking system)
			for current transactions	for capital transactions	Other capital movements	Foreign Direct Investments(FDI)	Foreign investments in some sectors					
Central African Republic	CFA Franc**	Pegged to the French franc. No taxes or subsidies on purchases or sales of foreign exchange.	No	Yes Limited exchange control measures	Over borrowing abroad. Prior approval required in some cases, see note a/				Industrial, tourist, agricultural, and mining enterprises are granted, under certain conditions, a reduction/exemption in duties and taxes. 3 categories of preferential treatment (requests for approval must be submitted to the Minister of Industry)		Yes repatriation and surrender requirement for export proceeds	
Chad	CFA Franc**	Pegged to the French franc. No taxes or subsidies on purchases or sales of foreign exchange. Forward cover for imports is permitted only for specified commodities; requires authorization.	No	Yes Limited exchange control measures	Over borrowing abroad. Prior approval required in some cases, see note a/	FDI must be declared. Inward FDI and all outward investments in foreign countries.		Full or partial liquidation of FDI must be declared to the Minister of Finance.	Under the Investment Code any foreign enterprises is granted, under certain conditions, reduced duties and taxes on specified imports and exemption from direct taxes on specified income.		Yes surrender requirement.	
Comoros	Comorian Franc	Pegged to the French franc. No taxes or subsidies on purchases or sales of foreign exchange. Forward cover against exchange rate risk is authorized by the Central Bank and provided by the commercial banks.	Yes	Yes Limited exchange control measures.	Over borrowing abroad. Prior approval required in some cases, see note a/	On inward FDI (that must be declared) and all outward investmens in foreign countries.		Repatriation of dividends and other earnings from FDI is authorized and guaranteed under the Investment Code.			Repatriation and surrender requirement.	
Djibouti	Djibouti Franc	Pegged to the U.S. dollar. No taxes or subsidies on purchases or sales of foreign exchange. No arrangements for forward cover against exchange risk. Enterprises are free to negotiate forward exchange contracts through local banks or banks abroad.	No	No				No restrictions	Under the Investment Code, enterprises established or expanded to undertake specific economic activities are eligible for various tax exemptions. Export-oriented manufacturing and services are exempt from the profit tax during first 10 years.		Export proceeds may be retained.	

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Progress on liberalization measures on exchange restrictions

In the case of LDCs, 1996

	National currency	Exchange rate arrangement	Payments restrictions		Special controls applied on:			Restrictions on repatriation of capital and profits	Preferential status/incentives to foreign investments	Forex bureaux	Surrender and repatriation requirement for export proceeds	Access to local finance (local banking system)
			for current transactions	for capital transactions	Other capital movements	Foreign Direct Investments(FDI)	Foreign investments in some sectors					
Equatorial Guinea	CFA Franc**	Pegged to the French franc. No taxes or subsidies on purchases or sales of foreign exchange. No arrangements for forward cover against exchange rate risk.	No	Yes Limited exchange control measures	Prior approval required in some cases.See note a/			Free transfer abroad of debt payments and net profits.	A number of privileges may be granted to authorised foreign (Investment Code 1992). Current legislation aimed at stimulating foreign investment in the agricultural, forestry, construction, public works, mining, and industrial equipment soutenance sectors.		Repatriation and surrender requirement.	
Eritrea	The provisional legal tender is the Ethiopian Birr	Flexible arrangement: managed floating. No taxes or subsidies on purchases or sales of foreign exchange. No forward cover provided in foreign exchange	Yes	Yes	Foreign exchange proceeds representing capital inflows must be registered at the National Bank to ensure the smooth transfer of dividends and interest, amortization of principal, and proceeds of the sale of shares or from the liquidation.	The Ministry of Trade and Industry has the authority to regulate foreign investments (Investment Proclamation); it vets and licences investment projects (including joint ventures) that are eligible to take advantage of tax and foreign exchange facilities	FDI is permitted in all sectors. Domestic retail and wholesale trade, and import and commission agencies are open to foreign investors only if Eritrea has signed a bilateral agreement of reciprocity with the country of the investor.		Approved investments and their subsequent expansion enjoy exemption from customs duties and sales tax for capital goods and spare parts associated with the investment		Repatriation requirement only	
Ethiopia	Ethiopian Birr	Flexible arrangement, independently floating. No taxes or subsidies on purchases or sales of foreign exchange. No arrangements for forward cover against exchange rate risk.	Yes	Yes	Borrowing abroad requires approval from the Exchange Control Department and is restricted.		Foreign investors are permitted to hold a majority share through a joint venture, except in the following sectors: Precious metals, telecommunication, banking and insurance, transport, and trade in products deemed essential to the economy.	All recognized/registered FI may be terminated on presentation of documents (liquidation and payment of all taxes/liabilities). Proceeds from the liquidation of a joint venture (as dividends) may be remitted abroad without restrictions.	Exemptions from income taxes are granted for up to 5 years for new projects and for up to 3 years for major extensions to existing projects. Exporters are allowed to retain 10% of their earnings in foreign currency accounts.	Yes. Foreign currency for business travel, tourism, education and medical is available at forex offices.	Exporters are required to surrender foreign exchange earnings. All receipts of capital in the form of foreign exchange must be surrendered.	All established businesses have access to local finance.. To encourage borrowing from banks, the cost of loanable funds (lending interest rates) is adjusted from time to time. Discriminatory lending interest rates policy have been abolished.
Gambia	Gambian Dalasi	Flexible arrangement : independently floating. No taxes or subsidies on purchases or sales of foreign exchange. No arrangements for forward cover against exchange rate risk.	No	No	Inward transfers for purposes of direct equity investment are not restricted but must be reported to the Central Bank for statistical purposes.			There are no restrictions on the transfer of capital and dividends from The Gambia abroad. Non-resident investors registered in The Gambia can remit profits and dividends abroad at prevailing exchange rates without any control.	Projects in priority sectors are awarded incentives in the form of duty waiver on capital equipment, spareparts materials, and row and/or semi finished material inputs. Other incentives for projects in the export sector.	Yes. Central Bank continues to set limits on foreign exchange working balances held by exchange bureaus.	No repatriation or surrender requirement.	Access to local finance for long-term projects has been controlled.Commercial banks in the Gambian banking systems used to favour borrowers in the shorter end of the market, especially for trade-related facilities, e.g. L/C

Table No. A.13

Progress on liberalization measures on exchange restrictions

In the case of LDCs, 1996

	National currency	Exchange rate arrangement	Payments restrictions		Special controls applied on:			Restrictions on repatriation of capital and profits	Preferential status/incentives to foreign investments	Forex bureaus	Surrender and repatriation requirement for export proceeds	Access to local finance (local banking system)
			for current transactions	for capital transactions	Other capital movements	Foreign Direct Investments(FDI)	Foreign investments in some sectors					
Guinea	Guinean Franc	Flexible arrangement: independently floating. No arrangements for forward cover against exchange rate risk. Payments and transfers fully liberalized since July 1994.	Yes	Yes	All capital transfers through the official exchange market require authorization from the Central Bank			The Investment Law provides preferential tax and custom treatment for the transfer of profits, interest, amortization, and liquidation proceeds	The Investment Law provides guarantees against the nationalization of FI in the industrial and mining sectors.	Yes. Exchange rates in the market determined by supply and demand conditions	Repatriation and surrender requirement.	
Guinea-Bissau	Guinea-Bissau Peso	Flexible arrangement: managed floating. No taxes or subsidies on purchases or sales of foreign exchange. No arrangements for forward cover against exchange rate risk.	Yes	Yes				The Investment Code recognizes the right of foreign investors to transfer foreign currency abroad in respect of profits (net of taxes), to sell or liquidate investments.	The Investment Code provides incentives to FDI, protection against nationalization/ expropriation,recognizes the right of foreign investors to service loans obtained to project financing and to make payments for imported supplies and technical assistance.	Exchange bureaus are in place	Surrender requirement on export proceeds. In July 1995 the portion of export proceeds that must be surrendered at the official exchange rate was reduced from 40% to 30 %. (There is no surrender requirement on proceeds from services received from abroad).	Foreign and domestic investments are subject to the same terms with respect to acccess to domestic credit.
Haiti	Haitian Gourde	Flexible arrangement: independently floating. No arrangement for forward cover against exchange rate risk operating in the official or the commercial banking sector.	No. Penalty, equal to 20% on any commercial foreign exchange transaction not conducted through a bank established in Haiti.	Yes		FDI requires prior government approval.	Permission is normally not granted for non-residents to invest in Handicraft industries				Repatriation requirement. In March 1995, surrender requirement was eliminated	

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Progress on liberalization measures on exchange restrictions

In the case of LDCs, 1996

	National currency	Exchange rate arrangement	Payments restrictions		Special controls applied on:			Restrictions on repatriation of capital and profits	Preferential status/incentives to foreign investment's	Forex bureaus	Surrender and repatriation requirement for export proceeds	Access to local finance (local banking system)
			for current transactions	for capital transactions	Other capital movements	Foreign Direct Investments(FDI)	Foreign investments in some sectors					
Kiribati	Australian Dollar	Pegged to 15 currencies. No central monetary institution. No taxes or subsidies on purchases or sales of foreign exchange. No arrangements for cover against exchange risk	No. Purchases and sales of foreign currencies in exchange for Australian dollars must be undertaken with the Bank of Kiribati, the only authorized foreign exchange dealer.	No		Applications for FI must be made to the Foreign Investment Commission.		Repatriation of profits and capital is normally unrestricted.	Under the Foreign Investment Promotion Act, investors may be granted duty-free imports of capital goods and raw materials. Investments in pioneer industries are eligible for a tax holidays of up to 6 years.		No surrender or repatriation requirement	
Lao P.D.R.	Kip	Flexible arrangement, independently floating. No taxes or subsidies on purchases or sales of foreign exchange. No arrangements for forward cover against exchange rate risk.	Yes	Yes				Under the Foreign Investment Law, profit remittances and the repatriation of foreign investment capital are not resticted.		Forex Bureaus are permitted to buy and sell foreign exchange rate at freely determined rates.	Repatriation requirement. Export earnings are subject to the surrender requirement, and they may be kept in foreign exchange deposits.	
Lesotho	Loti (plural Maloti)	Pegged to the South African Rand. No taxes or subsidies on purchases or sales of foreign exchange. Forward exchange cover is not common.	No	Yes	No person may borrow foreign currency, register shares in the name of a nonresident, or act as a nominee for a nonresident without prior approval.			Repatriation of interest, dividends, profits and other income facilitated. The transfer by nonresidents of dividends and profits is not restricted, provided these funds were not obtained through excessive use of local borrowing facilities.	Certain tax incentives are provided to manufacturers.		Repatriation and surrender requirement.	Local borrowing facilities
Liberia	Liberian Dollar	Pegged to the U.S. dollar. No taxes or subsidies on purchases or sales of foreign exchange. No arrangements for forward cover against exchange rate risk.	No	Yes					Under the Investment Incentive Code, enterprises undertaking new investment projects may be granted: a 5 year 90% duty exemption on imports of raw materials and machinery; total tax exemption on reinvested profits;a 50% exemption on distribuable profits.		Repatriation and surrender requirement.	

Table No. A.13

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In the case of LDCs, 1996

	National currency	Exchange rate arrangement	Payments restrictions		Special controls applied on:			Restrictions on repatriation of capital and profits	Preferential status/incentives to foreign investments	Forex bureaus	Surrender and repatriation requirement for export proceeds	Access to local finance (local banking system)
			for current transactions	for capital transactions	Other capital movements	Foreign Direct Investments(FDI)	Foreign investments in some sectors					
Madagascar	Malagasy Franc	Flexible arrangement: independently floating. Limited arrangements for forward cover against exchange rate risk	Yes	Yes	On borrowing and lending abroad by residents, on all inward and outward investment.	FDI are subject to prior authorization from the Ministry of Finance.		Proceeds from the liquidation of foreign investment may be repatriated with the prior authorization of the Ministry of Finance.	Enterprises benefiting from preferential treatment under the Investment Code (1989) are exempted from import taxes exceeding 10% on materials used in the production process.		Repatriation and surrender requirement.	
Malawi	Malawi Kwacha	Flexible arrangement: independently floating. No taxes or subsidies on purchases or sales of foreign exchange. Authorized Dealer Banks (ADB) are free to make arrangements for forward cover against exchange risk.	No	Yes	Inward transfer of nondebt creating capital are not restricted.			Free repatriation. Apart from the need to obtain the ADBs' approval, there are no restrictions on the transfer abroad of dividends and profits, provided that no recourse is being made to local borrowing to finance the transfer.		Authorized to conduct spot transactions with general public on the basis of exchange rates negotiated with their clients.	Repatriation and surrender requirement.	
Maldives	Maldivian Rufiyaa	Flexible arrangement: managed floating. Limits access to foreign exchange through the Government Exchange Counter. No arrangements for forward cover against exchange rate risk.	No	No		Inward direct investment requires prior approval. Foreign investors are required to provide at least 75% of their capital investment in the form of either cash or capital goods financed from outside Maldives.		Transfer of profits are permitted freely	Exemption from duties and taxes may be granted for a period as specified by the government.		Repatriation and surrender requirement.	
Mali	CFA Franc*	Pegged to the French franc. No taxes or subsidies on purchases or sales of foreign exchange. Foreign exchange transfers subject to a stamp tax.	No	Yes. Limited exchange control measures	Over borrowing abroad. Prior approval required in some cases. See note a/	On inward FDI (that must be declared) and all outward investmens in foreign countries.			Investment Code (1991) simplified procedures to obtain preferential treatment with respect to domestic taxes for investment that meet specific criteria on employment creation, domestic content of production, and value of investment.		Repatriation and surrender requirement.	

Table No. A.13

Progress on liberalization measures on exchange restrictions

In the case of LDCs, 1996

	National currency	Exchange rate arrangement	Payments restrictions		Special controls applied on:			Restrictions on repatriation of capital and profits	Preferential status/incentives to foreign investments	Forex bureaux	Surrender and repatriation requirement for export proceeds	Access to local finance (local banking system)
			for current transactions	for capital transactions	Other capital movements	Foreign Direct Investments(FDI)	Foreign investments in some sectors					
Mauritania	Mauritanian Ouguiya	Flexible arrangement: independently floating. No taxes or subsidies on purchases or sales of foreign exchange. No arrangements for forward cover against exchange rate risk.	Yes	Yes. Capital transfers to all coutries require Central Bank approval and are restricted, but capital receipts are normally permitted freely.	Residents must have prior authorization from the Central Bank to invest abroad.	FDI must be declared to the Central bank before they are made.		The investment Code stipulates that profits and dividends can be transferred freely.	The Investment Code provides for various benefits for private investments.	Free to set their commissions for foreign currency transactions.	Repatriation and surrender requirement. The rate of export proceeds required to be surrandered to the Central Bank was reduced from 40% to 30 %.	
Mozambique	Metical	Flexible arrangement: independently floating. No taxes or subsidies on purchases or sales of foreign exchange. No arrangements for forward cover against exchange rate risk.	Yes	Yes Foreign Exchange accounts may be open in all commercial banks in the country.	On public and private enterprise for borrowing abroad.Government and the Bank of Mozambique are allowed to borrow abroad.	Foreign investment proposals are processed by the Foreign Investment Promotion Office.		The FDI law (1994) guarantees investors the right to repatriate capital and transfer abroad a portion of profits.	The incentives for foreign investments include tax and customs exemptions for specified periods and for access to domestic credit.		Repatriation and surrender requirement. The surrender requirement was reduced to 35 % of the proceeds.	Incentives for access to domestic credit. All companies formed and registered with the participation of FDI are entitled to access to domestic credit borrowing on the same terms and conditions applicable to Mozambican companies.
Myanmar	Myanmar Kyat	Pegged to a basket of currencies. Foreign Exchanges Certificates FECs-(see note b:) issued by the Central Bank. No taxes or subsidies on purchases or sales of foreign exchange. No arrangements for forward cover against exchange risk.	Yes	Yes		Under the Union of Myanmar FI Law of 1988, the Investment Commission accept proposals for FI for full ownership and under joint venture, with the share of foreign capital representing at least 35%.	Types of economic activity and the sectors open to FI are specified in a detailed positive list.	Repatriation of profits is allowed trough banks after payment of taxes and prescribed funds. The Law also guarantees the repatriation in foreign currency after the termination of the business.	Exemption from customs duties and other internal taxes, exemptions from the income tax. Accelerated depreciation allowances may be granted. Guarantees to cover investors against nationalization.	10 agencies were authorized to trade FECs in exchange for local currency at a new exchange center and at a market determined rate.	Repatriation and surrender requirement. Export proceeds must be obtained in accordance with existing foreign exchange management regulations.	
Nepal	Nepalese Rupee	Pegged to a basket of currencies. Possibility to obtain forward exchange cover for trade transactions.	No	Yes	Nepalese citizens are prohibited from making any type of investment in foreign countries.	All FDI requires prior approval in the form of a guarantee from the Industrial Promotion Board or the Department of Industry. Foreign investors can hold 100% equity in large and medium scale enterprises.	In cottage, small-scale basic areas like poultry tertiary industries including travel and trekking services or defense-related industries unless substantial transfers of technology are involved.	Foreign investors with an investment guarantee are eligible to make remittances abroad for all or part of the sales proceeds of investments, equity, dividends, interest, or principal repayment.	Generous and attractive income tax allowances with a minimum five year tax holiday for most of the industries. - No tax on dividends and exports.		Proceeds from exports must be repatriated, but are not required to be surrendered.	Local and foreign collaborations projects, have equal access to the financial institutions regarding the project financing.

Table No. A.13

Progress on liberalization measures on exchange restrictions

In the case of LDCs, 1996

	National currency	Exchange rate arrangement	Payments restrictions		Special controls applied on			Restrictions on repatriation of capital and profits	Preferential status/incentives to foreign investments	Forex bureaus	Surrender and repatriation requirement for export proceeds	Access to local finance (local banking system)
			for current transactions	for capital transactions	Other capital movements	Foreign Direct Investments(FDI)	Foreign investments in some sectors					
Niger	CFA Franc*	Pegged to the French franc. No taxes or subsidies on purchases or sales of foreign exchange.	No	No	Over borrowing abroad. On inward and outward investments.	FDI must be declared.		The full or partial liquidation requires prior declaration to the Minister.	Privileged treatment is reserved for enterprises deemed to be of special importance to national economic development. Indemnities in the event of expropriation. Nondiscrimination. Tax exemptions.		Proceeds from exports must be repatriated and surrendered within 15 days of the date of receipt.	
Rwanda	Rwanda Franc	Flexible arrangement: independently floating. No taxes or subsidies on purchases or sales of foreign exchange. No arrangements for forward cover against exchange rate risk.	No	Yes	All outward transfers of capital require the prior approval of the National Bank. Portfolio investments by residents abroad require prior approval from the National Bank.	Direct investments are allowed after approval from the National Bank.		Repatriation are pursuant to the investment code and must be registered by authorized banks.		Operate in the exchange market.	Repatriation and surrender requirement.	Local and foreign investors have equal access to financial institutions.
Samoa	Western Samoa Tala	Pegged to a composite of currencies. No arrangements for forward cover against exchange rate risk.	No	Yes	Inward capital does not normally require approval.			Both the repatriation of capital and profit remittances on foreign capital must be approved by the Central Bank; such approval is granted when the appropriate documentation is supplied.	In specified activities. Under the Enterprises Incentive Act, persons engaged in approved enterprises are granted some relief from income tax and business license fees.			
Sao Tome and Principe	Sao Tome and Principe Dobra	Flexible arrangement: independently floating. No arrangements for forward cover against exchange rate risk.	Yes	Yes		Inward foreign investments governed by the Investment Code (1992).	The extraction of hydrocarbons and other mining industries.	Repatriation of profits is permitted up to 15% a year of the value of the investment. Transfers are permitted for repayment of financing under agreements with the government and for the amortization of private sector investments.	Foreign capital investments are permitted on the same basis as domestic investment.		Repatriation and surrender requirement.	
Sierra Leone	Sierra Leonean Leone	Flexible arrangement: independently floating. No taxes or subsidies on purchases or sales of foreign exchange. No arrangements for forward cover against exchange rate risk.	No	Yes	Capital payments to nonresidents are subject to exchange control. Issuance and transfers of securities are subject to exchange control.	To be eligible for FI Protection Act guarantee, a certificate of approval from the Ministry of Finance is required	Noncitizens are prohibited from owning or controlling certain types of business.	Investments, including profits, may be repatriated at any time, provided that exchange control approval is obtained at the outset. The FI Protection Act guarantees capital repatriation and remittance of dividend and interest.	Income tax and customs duty concessions are granted to foreign companies undertaking industrial or agricultural activities that are needed for the development of the country.	Limited to spot transactions.	Repatriation and surrender requirement.	Registered Foreign Businesses are allowed to borrow funds from the local banking system subject to the existing rules.

Table No. A.13

Progress on liberalization measures on exchange restrictions

In the case of LDCs, 1996

	National currency	Exchange rate arrangement	Payments restrictions		Special controls applied on:			Restrictions on repatriation of capital and profits	Preferential status/incentives to foreign investments	Forex bureaus	Surrender and repatriation requirement for export proceeds	Access to local finance (local banking system)
			for current transactions	for capital transactions	Other capital movements	Foreign Direct Investments(FDI)	Foreign investments in some sectors					
Solomon Islands	Solomon Islands Dollar	Pegged to a composite of currencies. Forward cover facility was discontinued in 1995.	No	Yes. All outward transfers of capital require exchange control approval.	Control on new investment abroad and on portfolio investments by residents or companies operating in the Solomon Islands. Approval is difficult to obtain for the acquisition of overseas portfolio investments.	Require approval from the Foreign Investment Board.					Repatriation and surrender requirement.	
Somalia	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Sudan	Sudanese Dinar	Flexible arrangement: independently floating. No arrangements for forward cover against exchange rate risk.	Yes	Yes		FDI are permitted in accordance with existing laws and regulations				Began to operate in September 1995.	Most export proceeds must be repatriated and sold to the domestic banking system within 45 days of the date of the bill of lading.	
Togo	CFA Franc*	Pegged to the French franc. No taxes or subsidies on purchases or sales of foreign exchange.	Yes	Yes	Over borrowing abroad. On inward direct investment and all outward investment.	FDI in Togo must be reported to the Ministry of Economy and Finance before they are made.		The investment Code guarantees the right of free transfer abroad of capital invested in Togo and of all investment income therefrom.			Repatriation and surrender requirement.	
Tuvalu	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Uganda	Uganda Shilling	Flexible arrangement: independently floating. No taxes or subsidies on purchases or sales of foreign exchange. No arrangements for forward cover against exchange rate risk.	No	Yes	Capital transfers to all countries require individual exchange control approval.	Foreign investment in Uganda is permitted wiht or without government participation.		To secure a guarantee of repatriation, it is necessary to obtain "approved status" for the investment in line with the Investment Code of 1991.		yes	Repatriation requirement. Exporters may retain proceeds from exports and sell them in the interbank foreign exchange market.	It is possible for foreign investors to secure local financing.

Table No. A.13

Progress on liberalization measures on exchange restrictions

In the case of LDCs: 1996

	National currency	Exchange rate arrangement	Payments restrictions		Special controls applied on:			Restrictions on repatriation of capital and profits	Preferential status/incentives to foreign investments	Forex bureaus	Surrender and repatriation requirement for export proceeds	Access to local finance (local banking system)
			for current transactions	for capital transactions	Other capital movements	Foreign Direct Investments(FDI)	Foreign investments in some sectors					
U. R. of Tanzania	Tanzanian Shilling	Flexible arrangement: independently floating. No taxes or subsidies on purchases or sales of foreign exchange. Authorized dealers may enter into forward contracts.	Yes	Yes	Capital transfers to all countries are subject to approval by the Bank of Tanzania. Investments of foreign funds are not restricted.		Yes. Some investment areas are reserved exclusively for Tanzanian citizens.	Repatriation may be authorized if investments are recognized by the Investment Promotion Center.		Yes	Yes, export proceeds subject to repatriation requirements.	
Vanuatu	Vatu	Pegged to a composite of currencies. No taxes or subsidies on purchases or sales of foreign exchange. No arrangements for forward cover facilities operating in the official sector.	No	No							No surrender requirement for exports proceeds.	No distinction is made between the accounts of residents and nonresidents. Debits and credits to all accounts may be made freely.
Yemen	Yemeni Rial	Pegged to the U.S. dollar. No arrangements for forward cover against exchange rate risk.	Yes	Yes		FDI is subject to the provisions of the Investment Law administered by the Public Investment Authority.	Foreign investments are authorized by the Public Investment Authority for projects deemed to be economically viable and socially acceptable.	The Investment Law guarantees the transfer abroad of net profits after taxes attributable to foreign capital, and the repatriation of registered capital on liquidation in the currency of investment.	Certain tax and import duty exemptions and concessions are granted for five years to approved projects that meet specific economic criteria.		No surrender or repatriation requirements for exports proceeds.	Commercial banks are permitted to open freely transferable foreign-currency-denominated accounts for residents and nonresidents.
Zaire	New Zaire	Flexible arrangement: independently floating. Forward transactions may be conducted in the foreign exchange market.	Yes	Yes				The repatriation of foreign capital brought in under the provisions of the investment code is permitted only at the time of liquidation, nationalization, or partial or total transfers of shares.			Surrender and repatriation requirement for export proceeds.	
Zambia	Zambian Kwacha	Flexible arrangement: independently floating. No arrangements for forward cover against exchange rate risk.	Yes	Yes	All borrowing outside Zambia must be registered with the bank of Zambia. Outward transfers of capital are free of control.					yes	Surrender and repatriation requirements. Zambia's Investment Act 1991 allows exporters to retain up to 70% of export earnings in the initial years of investment and 50% thereafter.	Nonresidents may participate in the treasury bill and government bond market without restrictions.

Table No. A.13

Progress on liberalization measures on exchange restrictions

In the case of LDCs: 1996

	National currency	Exchange rate arrangement	Payments restrictions		Special controls applied on:			Restrictions on repatriation of capital and profits	Preferential status/incentives to foreign investments	Forex bureaus	Surrender and repatriation requirement for export proceeds	Access to local finance (local banking system)
			for current transactions	for capital transactions	Other capital movements	Foreign Direct Investment(FDI)	Foreign Investments in some sectors					

Sources: Exchange Arrangements and Exchange Restrictions, 1996, IMF, responses to the questionnaires received from countries

* The CFA franc is issued by the Central Bank of West African States (BCEAO) and is the common currency in Benin, Burkina Faso, Cote d'Ivoire, Mali, Niger, Senegal and Togo

** The CFA franc circulating in these countries (Central African Republic, Chad, Equatorial Guinea) is issuing by the Bank of Central African States (BEAC) and is also legal tender in Cameroun, Congo and Gabon

a: Capital movements to other countries than France (including overseas depart and territ), Monaco and countries linked to the French Treasury through an Operation Account require prior approval, but capital receipts from such countries are free permitted

b: FECs are widely used and serve the needs of both visitors and investors in Myanmar. Holders of FECs may convert them into foreign exchange at a licensed foreign exchange bank.

FI: Foreign Investment
FPEI: Foreign Portfolio Equity Investment
FDI: Foreign Direct Investment

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Table A.14

RATIO OF BANKING SECTOR CLAIMS ON THE PRIVATE SECTOR TO GDP, (1990-1995), PERCENTAGES

COUNTRY	1990	1991	1992	1993	1994	1995
Afghanistan	..	..	..	..	..	..
Bangladesh	22.66	21.09	19.18	20.22	21.38	21.01
Benin	20.32	16.09	12.16	11.25	8.87	7.61
Bhutan	4.45	5.73	6.89	6.55	9.03	..
Burkina Faso	..	..	..	..	..	..
Burundi	8.36	10.98	9.23	12.05	11.87	9.46
Cambodia	..	..	..	..	..	..
Cape Verde	..	..	..	..	..	..
Central African Rep	7.44	7.04	4.62	4.56	3.94	4.20
Chad	8.72	8.46	8.89	7.14	5.15	5.63
Comoros	..	..	..	..	..	..
Djibouti	48.22	..	..	..	..	..
Equatorial Guinea	19.92	29.98	16.50	3.93	3.46	4.28
Ethiopia (former)	6.68	5.98	7.11	11.01	12.96	16.02
Gambia	11.22	11.43	7.56	14.37	13.35	.
Guinea	..	..	..	..	..	..
Guinea-Bissau	19.34	13.58	7.44	7.85	..	..
Haiti	14.42	11.70	13.19	13.17	11.75	12.21
Lao People's Dem. Rep	0.68	2.89	4.33	6.61	8.31	8.49
Lesotho	12.66	16.57	16.31	21.70	25.30	..
Liberia	..	..	..	..	..	..
Madagascar	16.45	17.33	16.42	16.46	14.66	11.37
Malawi	10.24	10.85	13.27	8.78	10.78	5.62
Maldives	..	..	..	..	..	..
Mali	12.63	12.58	12.88	13.26	8.80	11.31
Mauritania	41.85	42.25	..	..	..	..
Mozambique	..	..	..	..	..	..
Myanmar	4.74	0.00	0.00	0.00	0.00	0.00
Nepal	12.47	13.31	13.37	14.62	18.30	0.00
Niger	12.60	11.45	11.06	9.96	..	..
Rwanda	7.54	5.66	7.00	8.56	10.00	8.79
Samoa	..	..	..	..	..	..
Sierra Leone	3.22	4.16	3.13	3.18	3.05	2.43
Solomon Islands	..	..	..	..	..	..
Somalia	..	..	..	..	..	..
Sudan	6.96	7.29	..	..	..	..
Togo	22.25	24.59	26.16	28.33	19.04	21.53
Uganda	3.30	3.10	3.02	3.82	3.62	..
United Rep. of Tanza	15.23	16.30	11.81	13.27	12.23	..
Vanuatu	33.33	32.41	38.56	36.18	..	..
Yemen	..	..	..	..	..	..
Zaire	..	..	..	..	..	..
Zambia	11.91	10.31	7.48	6.08	5.47	6.81

Source: IMF, International Financial Statistics.

(..) not available or negligible figures

Table A.15

Evolution of ratio of M2/GDP (1990-1995), in percentages

COUNTRY	1990	1991	1992	1993	1994	1995
Afghanistan	..	..	..	..	..	..
Bangladesh	31.75	31.84	32.88	34.73	38.13	37.66
Benin	26.69	27.68	30.85	28.36	29.84	23.44
Bhutan	22.25	26.17	25.69	26.01	29.89	..
Burkina Faso	..	..	..	..	..	..
Burundi	17.76	18.23	15.09	15.95	19.44	..
Cambodia	..	..	..	..	..	..
Cape Verde	..	..	..	..	..	..
Central African Rep.	15.82	15.75	15.68	18.50	24.27	21.82
Chad	20.75	19.57	18.94	16.33	13.59	18.90
Comoros	..	..	..	..	..	..
Djibouti	..	..	..	..	..	..
Equatorial Guinea	9.57	8.02	9.10	6.40	11.94	14.55
Ethiopia (former)	40.10	42.32	47.80	41.14	48.01	43.85
Gambia	21.81	24.67	25.05	33.06	27.75	..
Guinea	..	..	..	..	..	..
Guinea-Bissau	17.26	14.03	16.53	15.02	..	..
Haiti	37.42	32.85	42.85	46.11	41.82	35.43
Lao People's Dem. Re	7.23	7.11	9.06	13.23	15.00	13.85
Lesotho	37.26	39.83	37.26	40.38	37.52	..
Liberia	..	..	..	..	..	..
Madagascar	16.16	19.85	21.32	22.96	24.75	19.20
Malawi	18.88	19.66	20.77	21.74	23.68	18.46
Maldives	..	..	..	..	..	..
Mali	20.27	22.28	22.04	24.09	24.61	22.10
Mauritania	27.64	27.47	..	..	..	..
Myanmar	27.89	27.30	31.18	..	..	..
Nepal	32.20	33.90	32.99	35.91	36.49	..
Niger	20.30	18.54	18.46	18.56	..	..
Rwanda	16.37	15.66	17.23	18.49	22.52	19.85
Samoa	..	..	..	..	..	..
Sierra Leone	18.53	16.32	12.78	10.92	10.21	9.34
Solomon Islands	..	..	..	..	..	..
Somalia	..	..	..	..	..	..
Sudan	29.34	28.09	..	..	..	..
Togo	35.88	36.20	31.96	31.50	30.57	33.01
Uganda	..	..	7.82	9.90	10.33	..
Unit.Rep. of Tanza	21.81	23.00	26.74	29.97	31.27	..
Vanuatu*	134.63	124.59	113.54	111.38	..	..
Yemen	..	..	..	..	..	..
Zaire	..	..	..	29.71	..	..
Zambia	21.70	22.31	..	12.74	13.96	15.34

*, in the case of Vanuatu, the quasi-money is very high and hence the ratio exeeds 100%

Source: IMF: International Financial Statistics.

(..) not available or negligible figures

Table A.16

Capital market development in LDCs and stock markets with regional exposure

Country, stock exchange, date of establishment a/	GDP (US$ million)	Market Capitalization (US$ million)		Market Cap/GDP (%)		Value traded % of GDP		Turnover ratio (%)		Number of listed companies		P/E ratio	
LDCs stock exchanges	1995	1990	1995	1990	1995	1990	1995	1990	1995	1990	1995	1990	1995
Bangladesh (Dhaka)	29,110	321	1,323	1.4	4.5	0	0.5	0	13.3	138	183	..	24
Bhutan*			33								10		
Malawi*	1,465		15		1.0						1		11.78
Nepal	4,232		244		5.5		0.4		6.8		83		23.2
Zambia (Lusaka)*	4,073		600		14.7								
Stock Markets with regional exposure													
Ivory Coast (1976)	10,069	549	867	5.1	8.6	0.2	0.1	3.3	2.2	23	31	..	12
South Africa	136,035	137,540	280,526	128.9	206.2	7.6	12.5	6.1	6.7	732	640	13.2	18.8
Other selected Stock Exchanges													
Zimbabwe (1960)	6,522	2,395	2,038	35.3	31.2	0.8	2.3	2.9	7.8	57	64	8.4	7.3
Botswana (1989)	4,318	261	397	7.1	9.2	0.2	0.9	6.1	9.8	9	12	..	9.9

Source: World Bank, World development indicators 1997, IFC.

a/ Angola, Uganda, Tanzania, Madagascar and Mozambique have undertaken some steps to set up stock exchanges.

* Based on repplies to questionnaires sent to LDCs.

Table A.17
LDCs and the regional groupings' potential for fostering regional capital markets

Country	AEC	ECOWAS	CEAO	MRU	ECCAS	CEMAC	CEPGL	PTA	SADC	ECO	Bangkok Agreement	SAARC	South Pacific Forum	IDB
Afghanistan										x				
Angola	x							x	x					
Bangladesh											x	x		
Benin	x	x	x											
Bhutan												x		
Burkina Faso	x	x	x											
Burundi	x				x		x	x						
Cambodia														
Cape Verde	x	x												
Central African Republic	x				x	x								
Chad	x				x	x								
Comoros	x							x						
Djibouti	x							x						
Equatorial Guinea	x				x	x								
Eritrea								x						
Ethiopia	x							x						
Gambia	x	x												
Guinea	x	x		x										
Guinea Bissau	x	x												
Haiti													x	
Kiribati											x			
Lao P.D.R.														
Lesotho	x							x	x					
Liberia	x	x		x										
Madagascar	x							x						
Malawi	x							x	x					
Maldives												x		
Mali	x	x	x											
Mauritania	x	x	x											
Mozambique	x							x	x					
Myanmar														
Nepal												x		
Niger	x	x	x											
Rwanda	x				x		x	x						
Samoa													x	
Sao Tome and Principe	x				x									
Sierra Leone	x	x		x										
Solomon Islands													x	
Somalia	x							x						
Sudan	x							x						
Togo	x	x												
Tuvalu													x	
Uganda	x							x						
United Republic of Tanzania	x							x	x					
Vanuatu													x	
Yemen														
Zaire	x						x							
Zambia	x							x	x					

Memo:

Non-LDCs member countries, their role in fostering foreign investments at regional levels

Barbados														
Botswana	x													
Ivory Coast	x	x	x											
Mauritius	x	x	x											
Nigeria	x	x	x											
South Africa														
Zimbabwe	x													